DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 21 Section 1 October 25, 1927.

"OVERBANKING" WARNING

A Houston, Tex., dispatch to the press to-day reports: "The United States is becoming 'overbanked' and it has become imperative to weed out weak institutions and consolidate stronger ones lest the country drift to European banking methods, the American Bankers' Association was told yesterday by two speakers at the opening of the fifty-third annual convention...G.E.Bowerman, president of the States Bank Division, declared that branch banking and chain banking, already all-powerful factors in the financial economy of the United States, made it incumbent upon the so-called 'unit bankers' to bestir themselves in the adaptation of improved methods if they desire to survive. Dan V. Stephens of the Freemont State Bank of Freemont, Neb., asserted emphatically that the country was 'overbanked' and that to a large extent this has been the cause of many recent bank failures. 'The business of the country is now being conducted by approximately 4,000 less banks than existed seven years ago,' he declared. 'The business could be conducted in a perfectly satisfactory manner if we lost 4,000 more banks, if these losses could be taken without dealing to the remaining banks and the country a staggering blow.' He suggested as a remedy that the number of banks should be carefully limited to the needs of the country through closer supervision of applications for charters and through the adequate supervision of those that are created...Mr. Bowerman said : Covering the period from 1921 to 1926 inclusive, there were 3,124 bank failures in the United States, more than a bank failure a day for every day of the entire time, and each one bringing to its particular community hardship and distress...'"

BANK CLOSING

An Associated Press dispatch to-day from Sallisaw, Okla., states that the First National Bank, oldest and largest bank in Sequoyah County, failed to open its doors yesterday. Poor crops and low prices for farm products since 1919 are said to be the cause of the failure. According to the report, the First National Bank of Muldrow later went into the hands of the Federal bank examiner. A dispatch from La Grange, Ind., states that the doors of the National Bank of La Grange were closed yesterday.

WOOL STATISTICS COOPERATION

The press to-day says: "Plans for the collection of international wool statistics were unanimously indorsed and promised the active support of the United States wool trade at conferences at Boston, Philadelphia and New York recently between members of the trade and George P. Willingmyre, wool standardization expert of the Department of Agriculture, L.C.Connor of the United States Tariff Commission and Frank E. Fitzpatrick of the Department of Commerce. Similar indorsement has been received by mail from the Arizona Wool Growing Association, California Wool Growers Association, National Wool Growers Association and Pacific Cooperative Wool Growers Association. Organizations represented at the conferences in cluded: Boston Wool Trade, National Association of Wool Manufacturers, American Association of Wool and Worsted Manufacturers, Philadelphia Wool Trade and Textile Association and National Association of Worsted and Woolen Spinners...."

Section 2

Business and Farm Situation

In a series of interviews given to the press of October 24 by bankers and other delegates to the fifty-third annual convention of the American Bankers Association at Houston, Tex., business and agricultural conditions were reviewed. A few excerpts follow: M.A.Traylor, president of the American Bankers Association, said: "On the whole business has been satisfactory this year. This is true even though the upward trend of the last two years has not continued. In some important lines of industry recessions have taken place and profits generally have been lower even where the volume of business has not declined. It is a fortunate fact that such recession as has developed has affected lines best prepared to sustain it by a prolonged period of prosperity,--namely, industry and commerce rather than agriculture....As to agriculture, which has been in need of improvement, it is this fall enjoying as a whole satisfactory crop returns either through large harvests or rising prices. Agricultural price indices, after several years of inequality, are now about on a parity with industrial price indices. Total agricultural income this year is expected to be somewhat above the average of recent years. This increased rural purchasing power should act as a corrective and an aid in preventing the recession in industry going so far as to create actual depression...." T. R. Preston, first vice president of the American Bankers Association, said: "The volume of business for the year 1927 may not be quite as large as for 1926, but more people have shared in the prosperity. Especially is this true of the agricultural situation which has shown improvement almost everywhere and I see no reason why 1928 will not be a satisfactory year even though it is a Presidential year. The finances of the country were never on a sounder basis than they are to-day and credit facilities are ample. The expected tax reduction by the next Congress will greatly help business also.' W.R. Morehouse, president of the savings bank division of the American Bankers Association, said: "Credit ease and the improved position of the farmer are favorable factors that are likely to cause an increase in general business activity as the season advances and will help sustain the great national prosperity prevailing for several years. Southern California is looking forward to the stimulus of record breaking citrus and walnut crops." Burton M. Smith, chairman of the agricultural commission of the American Bankers Association, said: "From an agricultural standpoint in business, the condition of the farmer looks much better. In the dairy regions the price of milk is very good and alfalfa hay and silage supplies will carry them over the winter. The potato crop might be a trifle short but the price will make up for the difference. The farmer in general is putting more business into his efforts and is gradually working out his own problems. John R. Downing, vice president of the Citizens Union National Bank of Louisville, Kentucky, said: "Probably for the first time since 1920 agriculture is catching step with industry. If this pace can be maintained I see no reason why business can not continue to go forward. The Northwest is harvesting and marketing a fine crop of wheat at good prices. The South will have many millions of dollars more for cotton than last year. Our problem thus far seems to be in saving the corn crop of the great Central West. In our own State of Kentucky the tobacco crop, while of smaller proportions, bids fair to bring considerably more money than last year. All of which means that the farmer's buying power is to be reckoned with in the future which always foretells better times in business."

Cooperative Production

An editorial in The Wisconsin Farmer for October 13 says: "The trend of the farming business in the United States is to become more efficient in production as well as in marketing. This is largely the result of the cooperative work of the farmers themselves, which is fostered by their own organizations. Never before in the history of American agriculture has it been possible to bring about changes in agricultural practices so rapidly as to-day. This is because a substantial number of the more progressive farmers have come to realize that if they are to accomplish anything worth while in controlling their own destiny they must work together as a unit--they must cooperate with each other. The individual is powerless to exert any effect upon marketing problems, and marketing is just as important to the farmer as production. Though cooperation along production lines is rather new and comparatively little has been accomplished in that field so far, it is most encouraging to note that wherever cooperative marketing has made substantial progress, its effect has been noticed in the field of production. In some respects cooperative production is even more important than cooperative marketing, yet in practice it seems that the latter must precede the former. Not until the farmer fully understands the demands of the market, which he can learn only through actually selling his own products, can he give intelligent direction to his productive efforts...."

Cotton in Africa

Manufacturers Record for October 20 quotes a letter from Manchester, England, which gives an extract from a report on cotton-growing possibilities in South Africa made by Sir William Himbury, the managing director of the British Cotton-Growing Association, who recently returned from a tour of inspection of cotton-growing areas in that country. The report says in part: "Whilst the acreage has increased under cotton these last five years, the total results can not be satisfactory to the grower. High prices have helped, and some of the few who have been favored with ideal conditions of soil and climate, and who have had big yields, have no doubt done fairly well. Some may even have made money; generally, however, we found the recently made optimist had become a pessimist. If we omit the lack of moisture and unsatisfactory seed, much of the other trouble has been of the farmer's own making. Cotton had been planted on poor soil, and in some places at too high an altitude. Again, where he found the rains had failed, he had planted late as a gamble, and the frost had completely killed his crop. One other factor was the tendency to too extensive cultivation as against intensive. Although generally cotton was well cultivated, the prevailing policy seemed to be to get as much seed in as possible instead of going slowly and endeavoring to obtain a large crop from a well-cultivated small area. This method had been followed by one or two men in Zululand with conspicuous success. There is little doubt that the admixture of seed, the result of several years' want of care in selection and breeding, has largely contributed to the failure. Even where an effort has been made to keep the seed fairly pure, and better results have been obtained, insect pests have proved a severe handicap to the industry, especially the Jassid and the boll worm. At the same time there is little doubt the chief cause of failure has been adverse climatic conditions. As to the future, I do not think the industry is dead; its revival will be slow and possibly built up on stronger foundations. The seed question is being carefully considered by some of the Empire Cotton Growing Corporation's best experts, together with officials of the Union Agricultural Department...."

Farmers' Foreign Tour L.G.Chrysler, of Scott County, Iowa, State Farm Bureau Director, writes of "What Europe Showed One Iowa Farmer" in Wallaces' Farmer for October 21. Mr. Chrysler says in part:"....The outstanding impressions of the trip that I feel could in a measure be put to use in our own country are four in number. The cooperatives in Denmark have reached a high stage of development and are worthy of copying. The German farm organization is a model of efficiency. The use which all European countries make of their canals and rivers for freight traffic is admirable. The flower gardens everywhere showed a love for nature and the contact with it.....The Danes have kept on working at cooperation until they all feel it to their finger-tips--they know it is the right way and they are loyal to the thought and to the action, and they are sitting on top of their organization. Their problem, however, is simplified because they are of one race, they have specialized in dairy and pork production, and their area is only about one-third that of Iowa. Germany's plan of farm organization has the country's stamp of efficiency on it. Each of the States or provinces has a chamber of agriculture, and the federation of the chambers is called the Council of Agriculture. They are instituted by the Government, and a small tax is levied on all farm land for their upkeep. The duties of the chambers are to direct the affairs of the agricultural colleges, provide extension workers to help improve all branches of farming, stock raising and forestry, and to supervise improvements in marketing. The officers of the chamber are elected by the farmers. This organization has been given a voice through which agriculture can determine its own policy. Their Government has accepted agriculture as a group that needs the same protection as other groups....The great amount of freight traffic on the canals and rivers of Europe made us feel that we are very extravagant here in not making greater use of our rivers for this traffic. All the traffic, from that on the small boats in the little canals on up to the big barge lines on the larger canals and rivers, makes an immense tonnage, and I wondered if the more expensive railroad transportation was not carrying the lighter load....The only countries we visited that had a definite agricultural policy were Denmark, Germany and Holland. And these three countries are the only ones that seemed near national prosperity...."

Meat Situation The amount of meat produced in the United States during 1927 probably will be about the same as the total for last year, according to Oscar G. Mayer, president of the Institute of American Meat Packers, who spoke October 24 before the institute's annual convention at Chicago. A relatively large decline in the export meat trade and decreases in the wholesale prices of most pork cuts characterize the present situation in the packing industry, he stated. "Wholesale prices of pork products generally are considerably lower than a year ago," he said. "Smoked hams, for example, are about 25 per cent lower; bacon, 16 per cent lower; smoked shoulders, or picnics, 15 per cent lower, and lard, 12 per cent lower. Fresh pork cuts also are somewhat lower than they were last year at this time. Prices of veal and lamb are about the same as a year ago, but beef prices are somewhat higher, owing to the substantial increase in cattle prices. Cattle recently reached the highest level in seven years, and the highest levels in history, except for the World War period," he stated. "Good beef animals now are selling about 25 per cent higher than a year ago. Prices of calves and lambs are about the same as a year ago, but hog

prices, in keeping with lower product prices and the decreased export trade, are about 9 per cent lower." Regarding the export situation, Mr. Mayer said: "The latest figures show a decrease of about 26 per cent in value and 14 per cent in volume during the first eight months of the year, as compared with 1926. Expressed in terms of money, this means a decline in the value of meat and lard exports of more than forty million dollars. The export outlook appears to hold no promise of early improvement, owing to increased production of livestock in European countries, which normally are the chief customers for American meats."

Section 3
MARKET QUOTATIONS

Farm Products

October 24: Top price on hogs at Chicago is $11.65.

Maine sacked Green Mountain potatoes $2.15-$2.35 per 100 pounds in eastern cities; $1.70-$1.75 f.o.b. Presque Isle. New York sacked Round Whites $2.10-$2.25 in eastern markets. Wisconsin sacked Round Whites $1.45-$1.65 carlot sales in Chicago; mostly $1.40 f.o.b. Waupaca. New York Danish type cabbage $12-$20 bulk per ton in terminal markets; $9-$10 f.o.b. Rochester. Northern sacked stock $1 per 100 pounds in Chicago. New York and midwestern yellow onions $1.25-$1.85 sacked per 100 pounds in consuming centers; $1.30-$1.45 f.o.b. New York Baldwin apples $5-$5.50 per barrel in New York City; mostly $5.50 f.o.b. Rochester. Michigan and Illinois Jonathans $7-$8 in Chicago.

Closing prices on 92 score butter: New York 48¢; Chicago 45½¢; Philadelphia 49¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets October 22: Single Daisies 27¢; Longhorns 27¼¢; Square Prints 27¾¢.

Average price of Middling spot cotton in 10 designated markets declined 14 points, closing at 19.35¢ per lb. October future contracts on the New York Cotton Exchange declined 13 points, closing at 19.35¢, and on the New Orleans Cotton Exchange they declined 12 points, closing at 19.65¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.21-$1.48. No.2 red winter Chicago $1.31; Kansas City $1.33-$1.38. No.3 red winter Chicago $1.30. No.2 hard winter Chicago $1.32; Kansas City $1.34-$1.40. No.2 mixed corn Chicago 83¢; Kansas City 76-78¢. No.3 mixed corn Chicago 80-81¢; Minneapolis 74-75¢; Kansas City 74-76¢. No.2 yellow corn Chicago 84¢; Kansas City 79-81¢. No.3 yellow corn Chicago 82-83¢; Minneapolis 78-79¢; Kansas City 78-80¢. No.3 white corn Kansas City 74-76¢. No.3 white oats Chicago 45-48¢; Minneapolis 43-44¢; Kansas City 46-49¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 24,	Oct. 22,	Oct.23,1926
20 Industrials	181.43	179.78	149.56
20 R.R.stocks	135.38	135.12	116.51

(Wall St. Jour., Oct. 25.)

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Vol. XXVII, No. 22 Section 1 October 26, 1927

THE FRENCH TARIFF A Paris dispatch to-day says: "It is believed in Paris that the French Government within the next two weeks will restore American imports to a tariff regime approximating that which prevailed until September 6 last, thus permitting millions of dollars worth of American products again to be sold in this country on terms favorably competitive with those accorded to Germany....."

FLEXIBLE PROVISION OF TARIFF Proposed amendments to the flexible provision of the tariff law will be the subject of conference this week between Chairman Green of the ways and means committee and the Tariff Commission. One of them would make it unnecessary for the commission to send experts abroad to determine production costs. Mr. Green also will take up with President Coolidge the recommendation of Middle Western interests for an increase in the duty on corn through application of the flexible tariff provision. (Press, Oct. 26.)

BANKERS AND FEDERAL RESERVE SYSTEM The press to-day reports from Houston, Tex.: "The declared policy of the American Bankers' Association is 'hands off the Federal Reserve system.' Melvin A. Traylor of Chicago, president of the association, in his keynote address at the formal opening of the fifty-third convention at Houston yesterday, stressed the fact that fundamentals of the banking structure should remain unchanged. 'With the McFadden bill now a law, liberalizing and equalizing the rights and privileges of national banks, with constantly improved State legislation, adding greater protection and security to the chartered institutions, and with the Federal Reserve system under indeterminate franchise, there is apparently little of major legislation necessary to perfect our banking system,' he declared...."

INTERIOR OFFICE OFFERS LAND The press to-day reports: "More than 24,000 acres of land in New Mexico and Colorado will be opened to entry next month under the homestead and desert land laws. The Interior Department, in making this announcement yesterday, described the New Mexico land as consisting of 23,157 acres of adobe and alkali soil in Grant County. It is under flood water many times during the year and there are only two settlers in the township. Approximately 1,400 acres in Mesa County, Colo., will be opened to entry November 15. The Colorado River flows along the southern boundary of the lands but, inasmuch as they have been restored from reclamation withdrawal, no water from a Federal irrigation project will be available for irrigation purposes."

RUSSIA PROTESTS RADIO EXCLUSION Russia has made a formal protest to the powers as represented in the International Radio Telegraphic Conference at Washington against her exclusion from the deliberations of that body, according to the press to-day.

Section 2

British Agricultural Problems

Sir Henry Rew, K.C.B., is the author of an extensive article on "The Agricultural Problem and Its Solution" in The Nineteenth Century for October. He says in part: "There are those who contend that all this parliamentary and official activity is misdirected, that what agriculture needs is to be left alone, 'to work out is own salvation.' There are plausible arguments in favor of this view, but they are academic. It is wholly impracticable to repeal all the agricultural legislation of the past fifty years and return to the policy of laissez faire under which farming was carried on for about twenty years after the repeal of the Corn Laws. The agricultural problem as its presents itself to this generation is complex and novel. To the present writer, who has been closely associated with the politics and economics of agriculture for over forty years, it is interesting to note the reiteration of statements, arguments, and proposals all of which may be found on record in Blue Books and other publications in the eighties and nineties. Agriculturists and those who speak on their behalf have been voluble enough during the past decade, but seldom does a new idea emerge from the verbosity. But it is futile to consider the post-war agricultural problem on pre-war lines....The operation of political and economic forces has created an agricultural problem of which it is the duty of the present generation to find a solution. In other words, the State, having gone so far in regulating, as well as, with certain reservations, assisting, agriculture without apparently any definite idea whither the action it has taken is leading, needs a considered policy adapted to the new conditions....It is an indication of a general sense of the need for a new agricultural policy adapted to the present conditions that the three political parties have each formulated detailed proposals to meet the requirements of the situation. Each, of course, is severely criticized by the other two, but it will be found on examination that there is a good deal in common between the three... It is remarkable that three serious issues which sharply divided opinion have now become, in principle, uncontentious. They were--(1) protective duties and subsidies; (2) State aid to and regulation of agriculture; and (3) public ownership of agricultural land. No responsible person now advocates protection or subsidies for agriculture as a general policy. The interposition of the State either by legislation or administration now permeates agricultural affairs. The ownership of agricultural land, and its management as landlords, by elected public authorities is accepted by all parties. On these three main issues there is no principle left to fight about....In these circumstances it is reasonable to think that the agricultural problem has been simplified and its solution by general consent brought within the range of practical politics. It is necessary to stress the fact that the problem is not purely, or indeed primarily, economic. Farmers naturally consider that the only question is 'How to make farming more profitable.' This is the problem of each individual farmer. It is beyond both the power and the function of the State to insure profits; the most it can do is to render the conditions, in so far as they can be affected by political action, favorable to successful enterprise.... To devise practicable and effective measures for solving the agricultural problem as thus outlined is no easy task. But it is not beyond the capacity of men who will approach it without prejudice or preconception, with a sincere desire to find a solution which will fairly and justly meet present conditions and requirements....It can not be too strongly insisted that if a commission such as is suggested, charged with the duty of finding a solution to the agricultural problem, were

composed in whole or in part of the formal representatives of organizations, political or agricultural, it would be certain to fail...."

Canadian Farm Immigrants

While Canada's failure to attract at the present time as large a volume of British immigration as she would like is disappointing, there is one gratifying feature of the situation which should not be overlooked, says the Canadian Pacific Railway. This is the measure of success which is attending Canada's efforts to interest British youth in farm careers in the Dominion, with a movement to the country which gives reasonable assurance of maintaining the British leaven in Canadian agricultural population, it is stated by the railroad. "Canada can confidently look forward to a steady transfer of such youth to her domain for farm training and the annual graduation of groups on to farms of their own, for a fine groundwork has been prepared. The numerous schemes in effect have been evolved to embrace boys of practically all conditions in the British Isles and draw from all grades of society for the future development of Canadian farm population. Inversely, it can be said that almost any British boy with an ambition to follow the career of a Canadian farmer is assured of encouragement and practical assistance. On April 1, 1928, a new and extremely broad scheme comes into effect under an agreement between the British and Canadian Governments by which they propose to expend jointly a total sum of $5,000,000 in the next ten years to assist British youth to take up farming in Canada on their own account...."

Chemical Industry and European Trust

The press of October 24 reports: "Amendment of the Sherman Anti-Trust Act to permit the organization of chemical combinations in the United States as a means of meeting the intensive competition threatened by the newly formed chemical trust in Europe will be proposed to Congress this winter, according to a letter received by heads of Executive Departments at Washington from leaders in the chemical and allied dyestuff trades. The argument is made that, unless the restrictions imposed by the Anti-Trust law as to industrial consolidation are modified to some extent to permit the forming of the proposed combinations, the United States will lose a large part of its foreign trade in chemicals and allied products and eventually be forced to fight the European trust for control of the domestic market. ...They are extremely doubtful whether the problem can be met through the medium of the tariff. The American corporations, manufacturing chemical and allied products valued at approximately $6,000,000,000 a year, and other industries dependent on such products, having invested capital running into the billions, see a menace to American interests in the huge trust now in the making in Europe...."

Cotton

An editorial in The Wall Street Journal for October 25 says: "Thirty cents a pound is the price a South Carolina mill paid a tenant farmer of Greenville County in that State for his cotton. While this man was receiving $150 a bale for his cotton the average farmer was getting $100. Perhaps those $100-a-bale men would like to get into the $150 class. If they wish it earnestly the gate is open. This man received 30 cents a pound because he produced cotton that was worth the price. The buyers even told him that if it had been properly ginned they would have paid more for it. It is hardly necessary to say that this man did not draw home seed from the gin, a mixture of everything that might be going through, and plant that. He bought

purebred seed of a tested long staple strain, and raised a superior cotton....If mills will pay 30 cents a pound for one length of cotton and 20 cents for another, it seems obvious that, other things being equal, the 30-cent kind is the one to raise....At this time, when buyers are complaining that the quality of cotton is deteriorating and farmers are complaining that the price received is below cost of production, this matter of a longer staple should be given serious thought. In this, however, some responsibility rests upon the buyers. So long as a farmer, not fortunate enough to be able to sell direct to a mill, gets only an average price for his cotton without regard to staple, he will not try to raise a superior strain. That is the situation to-day. Buyers give an average price and take it as it comes. As a result the quality is going backwards. It is a waste of effort to ask farmers to raise thirty-cent cotton and sell it at the same price as that given the man who raises a 15-cent kind. If a first-class cotton is to be produced, both producers and buyers must get together on the matter and devise a system by which the farmer will get whatever price his cotton is worth."

Fur Trade Growth

A remarkable expansion has occurred in the fur industry of the United States during recent years, according to a review just prepared by T.J.Biggins of the fur section of the textile division of the Bureau of Foreign and Domestic Commerce. It is shown not only by the census figures covering production, but also by the importations of raw furs. In part Mr. Biggins's review says: "The value of products of the fur-goods industry in 1914 is given by the Bureau of the Census as $43,-633,000, whereas, the latest figures available, for 1925, show a production valued at $254,266,000. These figures are not exactly comparable, owing to changes in classification of individual establishments, but they nevertheless indicate the marked expansion in the industry. Even more pronounced has been the growth of the fur dressing and dyeing trade in this period. The value of the production in this branch rose from $2,875,000 in 1914 to $25,423,000 in 1925. The American fur-manufacturing industry is by far the largest in the world. Although it is dependent on foreign sources for the bulk of its raw skins, the production of raw pelts in the United States and Alaska exceeds by a large margin that of any other country. It is estimated by reliable sources in the trade as $70,000,000 worth annually, as against the Canadian production of approximately $15,000,000 and the Russian output of about $35,000,000. The imports of dressed and undressed furs into the United States during 1926 totaled $110,000,000 in value and ranked sixth among the import commodities."

Section 3

Department of Agriculture

An editorial in The Northwestern Miller for October 19 says: "In an article on declining consumption of wheat flour, published in the United States Department of Agriculture Year Book for 1926, L.H.Bean says: 'Should the general downward trend in wheat flour consumption be continued into the next decade, the total quantity of wheat consumed as flour would remain approximately at the present quantity of about 500,000,000 bushels, even with an increase of population. On the other hand, if it be assumed that the per capita consumption of wheat flour has now become stabilized at approximately 4.25 bushels, and if population continues to increase at the rate of 1,500,000 persons a year, the production of wheat for domestic flour

purposes would need to be increased by about 65,000,000 bushels by the end of the next 10 years.' Here is encouragement for those millers who are finding operation of their plants at fifty to sixty per cent of capacity irksome. It is, indeed, not impossible that Mr. Bean's cheering estimate may not be accepted as a fitting basis for the building of a few more mills, or at least adding the long contemplated additional unit. Fifteen million barrels of flour is no bitter pill to contemplate, even when viewed at the end of a vista of years. Nor is a decade a great measure of time in the solemn march of ages. Furthermore, millers long since learned the wisdom of preparedness so well that at no time in memory have they failed to be ready to grind the grist in advance of its coming and to grind generously beyond requirements. With an added 15,000,000 barrels likely to be needed at the end of a trifling half score years, it is not too early to take thought and make plans. No worth while miller will want to sit back and let a competitor beat him to the pole and the persimmons."

Section 4
MARKET QUOTATIONS

Farm Products October 25: Top price on hogs at Chicago is $11.40. Prices on other classes of livestock are as follows: Beef steers choice $16.50 to $17.35; good $13 to $16.75; medium $9.25 to $13.50; common $7 to $9.25; heifers, good and choice $9 to $15; common and medium $7 to $11; cows, good and choice $7.50 to $10; common and medium $6 to $7.50; low cutter and cutter $5.25 to $6; vealers, medium to choice $12.50 to $14.50; heavy calves, medium to choice $7 to $10.50; stockers and feeders, common to choice $7 to $11; fat lambs, medium to choice, $13.50 to $14.25; yearling wethers, medium to choice $10 to $12.25; fat ewes, common to choice $3.75 to $6.65; feeding lambs, medium to choice $13.65 to $15.

New York sacked Round White potatoes $2.10-$2.15 per 100 pounds in eastern cities; $1.90-$1.95 f.o.b. Rochester. Maine sacked Green Mountains $2.15-$2.35 in New York City; $1.70-$1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.60 carlot sales in Chicago. New York Danish type cabbage $12-$20 bulk per ton in city markets; $8-$9 f.o.b. Rochester. New York and Midwestern yellow onions $1.25-$1.85 sacked per 100 pounds in consuming centers; $1.35-$1.45 f.o.b. Virginia York Imperial apples sold for $5.75 per barrel in New York City; $4.75-$5 f.o.b. Michigan and Illinois Jonathans $7-$8 in Chicago.

Grain prices quoted: No.1 dark northern Minneapolis $1.21-$1.50. No.2 red winter Chicago $1.32; Kansas City $1.34-$1.40. No.3 red winter Chicago $1.31. No.2 hard winter Chicago $1.23; Kansas City $1.35-$1.41. No.2 mixed corn Chicago 83¢. No.3 mixed corn Chicago 80-81¢; Minneapolis 75-76¢; Kansas City 75-77¢. No.2 yellow corn Chicago 84-85¢; Kansas City 79-82¢. No.3 yellow corn Chicago 83¢; Minneapolis 78-79¢; Kansas City 78-80¢. No.3 white corn Kansas City 75-78¢. No.3 white oats Chicago 46-49¢; Minneapolis 43-45¢; Kansas City 47-49¢.

Average price of Middling spot cotton in 10 designated markets advanced 93 points, closing at 20.28¢ per lb. December future contracts on the New York Cotton Exchange advanced 93 points, closing at 20.40¢, and on the New Orleans Cotton Exchange they advanced 100 points, closing at 20.68¢.

Closing prices on 92 score butter: New York 47½¢; Chicago 45¼¢; Philadelphia 48½¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets Oct. 23: Single Daisies 27¢; Longhorns 27¢; Square Prints 27¼¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVII, No. 23 Section 1 October 27, 1927.

THE SECRETARY ON FARM SITUATION The Associated Press to-day reports: "Farmers of the country are in their best position since 1920 in the matter of purchasing power of their products in terms of nonagricultural products, Secretary Jardine said yesterday in reviewing the farm situation. As the chief reasons he mentioned the better position of livestock, dairy and poultry products, and added that this year's cotton crop at October prices was worth $200,000,000 more than last year's, although a third smaller. The farm products purchasing power in terms of nonagricultural products was placed at 92 for September as against 88 for August, the 1909-15 five-year period being used as a base of 100...."

THE FRENCH TARIFF A Paris dispatch to the press to-day states that a temporary tariff agreement was definitely reached yesterday after a long conference between Maurice Bokanowski, Minister of Commerce, and Sheldon Whitehouse, Charge d'Affaires of the American Embassy. The report says: "Just as soon as the experts can draw up a decree--probably Monday or Tuesday of next week--American products will be restored to the favorable rates they enjoyed previous to Sept. 6, thereby making it possible for millions of dollars' worth of American manufactured articles again to be sold on a normal competitive basis in the French market. Yesterday's happy turn to the Franco-American tariff dispute ends for the time being the knotty outstanding problem between the two nations. There remains, of course, the larger question of negotiations for a permanent commercial treaty...."

WAVE LENGTH AGREEMENT The press to-day reports that a compromise satisfactory to European nations represented at the International Radio Conference was reached by a technical subcommittee yesterday, making concessions to those countries which opposed earlier allocation of wave lengths for broadcasting purposes on the contention the allocation restricted their stations. Under the compromise, all European countries will be permitted, for one year after ratification of the convention, to broadcast on frequencies between 1,500 and 1,340 meters.

According to the press to-day, Japan made a formal bid for equal rights with the other world powers in the International Radio Telegraph Conference yesterday when the Japanese delegation asked the convention committee to raise its voting strength from two to six votes. Six votes each in the conference now are controlled by the United States, Great Britain, Germany and France.

FLAX RAISING URGED An Atlantic City dispatch October 26 reports that C.T.Nolan of New York City in presenting the report of the flax development committee before the joint meeting of the American Paint and Varnish Manufacturers' Association and the Federation of Paint and Varnish Production Clubs at Atlantic City, declared that there is a big field for flax production in this country.

Section 2

Canada's Council of Agriculture and Industry

"The creation of a joint council of agriculture and industry to meet at stated intervals to discuss the more pressing of Canada's national problems was approved by the second annual convention of the Canadian Chamber of Commerce. Two hundred and fifty delegates met from September 12 to 14 at Vancouver, British Columbia, to discuss the problems facing Canadian business men. Each province and large city sent delegates. Two members of the British House of Commons attended as special delegates from London. The program covered a wide range of subjects, but attention was concentrated on the development of inter-provincial commerce and the need for a definite lining up of agriculture and commerce in a national way....Prime Minister Bracken, representing Manitoba, recommended to the delegates that they provide for a joint council of agriculture and industry to meet on stated occasions for the purpose of discussing the more pressing of national problems. He made a further suggestion that a scientific study be made of Canada's tariff. He argued that only by a scientific study of the tariff can its effect on national development be determined. He advocated that unprejudiced and capable men be chosen from the economic departments of each of the Canadian universities. Mr.Bracken pleaded for national fair trade rather than free trade or the other extreme, high tariff. The recommendation advocating a joint council of agriculture and industry was immediately approved by the delegates, but the recommendation regarding the tariff, while approved tentatively, met with a mixed reception...." (Nation's Business, Nov.)

Cotton Utilization

An editorial in Modern Farming for October 15 says: "Why not wrap cotton in cotton bagging? Under the present Liverpool tare ruling, each bale so wrapped would lose seven pounds, as there is that difference in weight in favor of jute wrapping. But there would be many compensating advantages to the southern farmer in having our staple crop tied out in cotton bagging. It is estimated that the manufacture of cotton bagging sufficient to wrap a twelve-million-bale crop, would utilize one hundred and fifty thousand bales of low-grade cotton. There would be two direct advantages in such consumption. There would be the actual sale of this cotton, which would be of a grade which moves slowly if offered to cloth manufacturers; and it would be removed from phantom competition with better grades. Another promising development to be hoped for would be a general turning of manufacturers of bags and coarse wrapping materials to cotton. There seems to be many good reasons why cotton bagging should wrap the cotton crop of the South; and once fully launched the movement for substitution of cotton as a fabric for containers would gain rapid headway. New and unthought-of uses would crop up."

Hardware Cooperatives

An editorial in Pacific Rural Press for October 8 says: "Yes, this is the age of cooperation. In this issue you will notice that the progressive hardware dealers of the State have taken a leaf from the experience of agriculture, and are cooperating--not in buying or selling, but in service. Just as the farmer's cooperative stresses high quality and service, so these hardware men are stressing high quality and service. Their vision is that the progressive, growing State of California must be solidly built on quality and service, and they want to have their proper part in building the sort of State we all desire. Incidentally, these progressive hardware dealers with their new service cooperative have paid agriculture the compliment of

recognizing it as the sound rock on which State growth rests....The movement is very new. Not all dealers are enrolled. But it gives promise of wide growth and of being a very successful cooperative, and if farmers will give their preference to those dealers who have publicly manifested their desire to serve, and have put up in their store the sign which says that they have struck hands with the Pacific Rural Press for good service to farmers, then this new quality and service cooperative will be the outstanding success which we have visioned. This sort of thing is new in California, but it has been tried out in a number of States and has proved a tremendous success. So we give it our blessing and ask yours."

Installment Buying in Britain

A London dispatch to the press of October 17 says: "Great Britain is following closely upon the heels of the United States in acquiring the habit of installment buying, but A.M.Samuel, Minister of Overseas Trade, has sounded a sharp warning against the installment system for increasing the sales of luxuries. 'Production and sale of motor cars, phonographs, radios, pianos and clothes on "tick" is a trade system built upon sand,' Mr. Samuel told a large Chamber of Commerce meeting...Mr. Samuel declared that installment sales were a drug to trade. He said that in America the system of pledging future earnings by installment buying could be indulged in because the American people had 'wealth to burn,' but he hoped the system would never reach any great proportions in Great Britain, particularly in the purchase of non-essentials and luxuries. Despite Mr. Samuel's warning, reports indicate that installment buying of all kinds is greatly on the increase in Great Britain...."

Italy's Rice Day

November 1 will be known hereafter throughout Italy as "National Rice Day," Premier Mussolini said October 25. The Duce made the announcement while discussing plans for using rice as the daily food for Italians. He was discussing the subject with visiting tradesmen, to whom he explained it as part of his plan for doing away with the necessity of importing so much wheat. He believes that this staple food may be raised on large tracts of land now available. (A.P. dispatch from Rome, Oct. 26.)

Livestock Industry

An editorial in Western Breeders Journal for October 15 says: "That the livestock industry is coming into its own is being demonstrated in various ways throughout the country. It is shown by the increased demand for draft horses, by the steadily favorable market conditions and by the demand for dairy cattle. The dairying industry of the United States is in better condition than it has been for years. The demand for diary cattle is great and the supply limited so that prices, both of purebred and grade cattle, are highly satisfactory.... Dairymen who have been in the business for more than forty years look on the present dairy prosperity as the goal toward which they have been working. The per capita consumption of dairy products in the United States has increased 27 per cent in the last five years. Dairy products have increased in popularity to a greater degree than almost any farm product. No wonder the dairy farmers are keeping their cows."

Meat Advertising The newspaper reading public has come to regard advertising as a real part of the news of the day, according to a report of the committee on public relations of the Institute of American Meat Packers, which was made public yesterday by G.F.Swift, its chairman, at the institute's annual convention which is meeting at Chicago. "This fact was proved to the packing industry during its recent advertising and merchandising campaign on ham and bacon," Mr. Swift stated. "This campaign," he continued, "was the first occasion on which the meat industry has advertised cooperatively in newspapers or any other medium on a Nation-wide scale. Reports received by the institute from a large number of member companies and published in its recent survey of the campaign indicate that the results of the campaign were gratifying. Much of the success of the campaign undoubtedly was due to the effectiveness of the advertising used...."

Mellon on Prosperity The Secretary of the Treasury is the subject of an interview given to S.J.Woolf and published in The New York Times Magazine for October 23. In this Secretary Mellon is quoted as saying:"...American prosperity is due in a large measure, I think, to the energy and initiative of the American people and to their genius for organization. Those of us who have lived through the economic readjustments of the last fifty years know that the country's present prosperity and its dominant position in the world of finance and industry are due to the fact that America has succeeded in adjusting herself to the economic laws of the new industrial era. In doing so, she has evolved an industrial organization which can maintain itself, not only because it is efficient, but because it is bringing about a greater diffusion of prosperity among all classes of citizens than was ever known before in any other country in the world's history."

Production Efficiency American industry produces as much with 67 men to-day as 100 men turned out in 1899, despite the shorter hours now prevailing, a study of efficiency by the National Industrial Conference Board reveals. The highest specialization in the modern machine era occurred in the automobile industry, which in 1925 required less than a third as many workers to produce a given number of cars as it did in the first war year. The leather and lumber industries show the least effect in this regard, the essential man power not being lessened materially. (Press, Oct. 24.)

Rubber Shipments World shipments of rubber from producing areas this year through August amounted to 400,457 tons, of which 376,015 tons were plantation rubber and the balance, 24,442 tons, were wild and Brazilian rubber, according to advices just received by Bankers Trust Company of New York from its British information service. During the first eight months of 1926 the total shipments amounted to 390,604 tons--366,120 tons of plantation rubber and 24,484 tons of wild and Brazilian rubber. In this same period the United Kingdom retained 44,564 tons, the United States 276,085 tons, Germany 21,363, France 20,512 tons, with Italy, Canada, Holland, Japan and other countries, together with rubber afloat, taking the balance and bringing the total up to 425,696 tons. Last year up to August the United States had retained 260,987 tons, the United Kingdom 53,944 tons and France 24,174 tons, while Germany retained only 10,644 tons, or just about half of the 1927 total. At the end of August 1927 the United Kingdom had stock on hand amounting to 67,681 tons, as compared with only

31,644 tons on hand at the end of August 1926. This year to the end of August Great Britain consumed 26,957 tons of rubber, as against 28,520 tons consumed in the same period of last year. Up to the end of August of this year consumption in the United States totaled 265,137 tons, as compared with 243,523 tons last year, and the stock on hand amounted to 96,148 tons at the end of August 1927 as compared with only 60,870 tons at the same time last year.

Rural Training in Texas

An editorial in Farm and Ranch for October 22 says: "Texas is essentially an agricultural State. More wealth is produced from her soil than from that of any other State in the Union, yet the records show that only a small per cent of the rural schools of the State are taking advantage of the rural aid law which makes provision for the purchase of industrial equipment, at the expense of the State, for vocational training, or the Smith-Hughes Act of the Federal Government which would pay a large part of the salary of a vocational teacher, or the boys' and girls' clubs under the direction of the county agents. Fields of corn and cotton are grown to within a few yards of many of the rural schoolhouses, yet the children who attend these schools are given but little if any training in how to grow and cultivate these crops. From the door of many school buildings may be seen fields whose soil is being washed away, yet no effort is made to teach terracing. Every farm should have its orchard and garden to furnish fruits and vegetables; should have chickens, hogs, and milk cows, yet too often nothing is done by the schools to train the children along these practical lines, which would not only prepare the child for home making and better living, but would add untold prosperity to the State in the years to come...Our hat is off to that wide-awake rural school whose teacher is teaching not only the lessons of the textbooks, but also those things that make for better living conditions in the rural homes."

Section 3
MARKET QUOTATIONS

Farm Products

Oct. 26: Maine sacked Green Mountain potatoes $2-$2.25 per 100 pounds in eastern cities; $1.65-$1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.40-$1.55 carlot sales in Chicago; mostly $1.35 f.o.b. Waupaca. Eastern Jonathan apples $2-$2.25 per bushel basket in city markets. Michigan and Illinois Jonathans $7-$8 per barrel in Chicago. New York Danish type cabbage $15-$18 bulk per ton in terminal markets; $8-$9 f.o.b. Rochester. New York and midwestern yellow onions $1-$1.75 sacked per 100 pounds in leading markets; $1.35-$1.40 f.o.b.

Top price on hogs at Chicago is $10.90.

Average price of Middling spot cotton in 10 designated markets advanced 57 points, closing at 20.85¢ per lb. December future contracts on the New York Cotton Exchange advanced 60 points, closing at 21.00¢, and on the New Orleans Cotton Exchange they advanced 49 points, closing at 21.17¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.23-$1.50. No.2 red winter Chicago $1.33. No.3 red winter Chicago $1.31. No.2 hard winter Chicago $1.25. No.2 mixed corn Chicago 83¢; No.3 mixed corn Chicago 81¢; Minneapolis 73-74¢. No.2 yellow corn Chicago 85¢. No.3 yellow corn Chicago 81-83¢; Minneapolis 77¢. No.3 white oats Chicago 46-49¢; Minneapolis 44-45¢.

Closing prices of 92 score butter: New York 47½¢; Chicago 45½¢; Philadelphia 49¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets Oct. 25: Twins 26¢; Single Daisies 27¢; Longhorns 26¾¢. (Prepared by Bu. of Agr Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 24 Section 1 October 28, 1927

CENTRAL SECTION BUILDING PLANS — Working drawings for the central section of the Department of Agriculture building were started yesterday in the office of the Supervising Architect of the Treasury, sketches having been approved. Excavation work probably will start the first of the year. (Press, Oct. 28.)

THE FRENCH TARIFF — A Paris dispatch to-day says: "All danger of a Franco-American tariff war is regarded by French officials now as averted, in view of the statement issued last night by M. Bokanowski, French minister of commerce, in which he announced that the high rates on imports recently imposed had been temporarily suspended. Negotiations for a commercial agreement, it is thought certain, will begin under favorable auspices as soon as the French and American experts complete the list of products on which France will provisionally grant a minimum tariff. The negotiations will be undertaken as if they had begun last August, before France raised her tariff duties, and American products will be granted the minimum rates then existing, except in cases where they were raised under the new schedules. In such cases the United States will be put on the same footing as Germany."

INTERNATIONAL MEAT NEGOTIATIONS — A London dispatch to-day says: "The international meat war which has been in progress for three years between American, British and Argentine packers is understood to have been settled. It was waged between Vesteys and Smithfield and the Argentine Meat Company, both British concerns, and the Swifts, Armours and Wilsons of America and the San Sinena Company of Argentina, and arose over their inability to agree on how the export trade in South America meat to Great Britain should be divided between them. The war is believed to have cost the companies concerned over $100,000,000, the San Sinena Company alone admitting a loss of over $3,000,000...."

FLOOD SUFFERERS' RELIEF — The Associated Press to-day reports that for the relief of the Mississippi Valley flood sufferers a total of $15,445,055 has been expended through the American Red Cross and $1,686,599 remains for further aid. The total flood relief fund was $17,131,654. Expenditure for food, clothing and maintenance for the sufferers constituted the largest item, with $4,260,230.

NOBEL PRIZE AWARD — A Stockholm dispatch to-day states that the Nobel prize committee last night awarded the Nobel prize for medicine for 1926 to the Danish professor, Johannes Frieberger, for his scientific discoveries in cancer researches. The 1927 medicine prize was awarded to Prof. Julius Wagner von Jauregg, of Vienna, for his treatment of syphilis.

Section 2

Business Conditions — The Federal Reserve Board, in a summary of general business and financial conditions throughout the several Federal Reserve Districts, based upon statistics for the months of September and October, says: "Industrial and trade activity increased less in September than is usual at this season of the year and continued to be in smaller volume than a year ago. The general level of wholesale commodity prices showed a further rise, reflecting chiefly price advances for agricultural commodities. The Federal Reserve Board's indexes of both manufacturing and mineral production, in which allowance is made for usual seasonal variations, decreased between August and September. Production of iron and steel was in smaller volume in September than in any month since 1925. There were also decreases from August to September in the output of nonferrous metals, automobiles, and rubber tires, while the textiles and shoe and leather industries continued active. The production of bituminous coal showed about the usual seasonal increase in September and October, but continued in smaller volume than during the same period of other recent years. The output of anthracite was considerably reduced during September and the first half of October, following an increase in August, and the weekly output of crude petroleum has decreased slightly since the early part of August. The value of building contracts awarded continued somewhat smaller during September and the first three weeks of October than during the corresponding period of 1925 or 1926...."

Canadian Pools — An editorial in The Nor'-West Farmer (Winnipeg) for October 20 says: "Pool marketing must be given credit for developing a better feeling among farmers. Pool selling may be criticized or even condemned, but the fact can not be denied that the pools have greatly improved the morale, so to speak, of western farmers. The pools are giving thousands of farmers an insight into big business and are making better business men of their members. The pools, too, have had an inspirational influence on their members, the importance of which is not to be overlooked or underestimated. They have given new courage to thousands of farmers and farm women."

Chemistry in Industry — Dr. Charles R. Harty, advisor to the Chemical Foundation, Inc., in an article on "Chemistry as an Aid to Industry" in Manufacturers Record for October 27 says: "....Who is there to-day doubtful of the fact that should another import war befall it will be primarily a war of chemistry? Where is the idle dreamer who still feels that gas warfare can be avoided by international agreement? What layman to-day does not understand that the great backbone of a nation in time of future war will be its chemical industries? That is the situation which confronts us to-day....I have no doubt of our ultimate success in meeting the onslaughts of this hybrid alliance (international chemical trust). This is no idle boast, but a statement of conviction based on knowledge of our great natural resources, of the skill of our chemists, the ability of our manufacturers, the wisdom of our financiers and the sound public opinion which has been developed by popular education within the past few years...."

Electrical Power — While some countries may have nearly as much potential power, the generating of electrical power in the United States is done on a larger scale than in any other country in the world, the Department of

Commerce reports. About 40 per cent of the world's electrical power is said to be generated in this country, according to the statement. The report says:"...It is estimated that 40 per cent of the world's electrical power is generated in the United States, while Great Britain generates only about 5 per cent of the world's total. Other countries which generate a comparatively high percentage of electrical power are Canada, New Zealand, Switzerland, Norway, Belgium, France and Germany."

French Tobacco Use — The French people, proverbially great smokers, are smoking less than they did two years ago. Although to the ordinary observer the fact is not noticeable, official statistics transmitted to the Bankers Trust Company of New York by its French information service, show that the consumption of tobacco decreased considerably in 1926 as compared with the year before and, even though this year shows an advance, the figures are still well below the 1925 level. No anti-cigarette or anti-tobacco crusade is responsible for this comparative moderation. It is due simply to the fact that prices have risen and the individual tax on tobacco has been raised several times. The ordinary French smoking tobacco for pipe or rolling, known under the general term of "Scaferlatis," for example, is, under the law of April 4, 1926, five times dearer than it was before the war. In the first seven months of 1925 the French smoked twenty and one-half million kilogrammes (slightly over 45 million pounds) of this tobacco; in 1926 for the corresponding period about 36¾ million pounds and this year about 40½ million pounds. French cigarettes and cigars also show a diminution. Imported cigarettes and cigars have increased in price correspondingly and in some grades the price is prohibitive to the general public. This applies more particularly to cigars but cigarette sales have suffered as well although it seems to be apparent that American cigarettes are appealing more and more to the French taste.

Fruit Juices — An editorial in American Fruit Grower Magazine for October says: "At this time of the year, when growers are harvesting their crops and are making cider and other fruit juices, some information about soft drinks consumed by the public may be interesting. The writer has before him some statistics for 1923. During the year ending June 30, 1923, there was made in the United States and its possessio. 163,329,982 gallons of soft drinks. This amount included cereal beverages containing less than one-half per cent of alcohol, unfermented grape juice, cider and other fruit juices. It represents about 2,613,279,714 eight-ounce bottles or about 26 bottles per capita. While the amount in itself is a striking thing, a still more significant feature is the fact that only about five per cent of the total was made from real fruit juices. Vast quantities of so-called fruit juices are consumed by the public, but in most cases these are artificially prepared juices and not real fruit juices. The public has no objection to real fruit juice; on the contrary, most consumers prefer it. The problem is apparently one of developing methods of producing, standardizing, preserving and distributing real fruit juice in a practicable manner, followed by the development of advertising and merchandising methods that will cause American consumers to use real fruit juices instead of uncertain artificial juices."

Irish Agriculture In an editorial on "Producer and Consumer" The Farmers' Gazette (Dublin) for October 15 says: "Adequate credit and up-to-date marketing methods are of course essential to agriculture, whether it be prosperous or depressed, and a good deal of thought and attention has already been given to both subjects in this country by the State and the Departments of Agriculture in Northern Ireland and the Free State. A point, however, which seems to be the source of much irritation to farmers at present is the difference between the price which he, as the producer, receives and the price which is charged by the retailer for farm produce. In the case of beef, mutton, or bacon, when the farmer comes to sell he is offered little or nothing in return for his labors, but when the household comes to buy the produce which has been produced on the farm someone has secured a very substantial profit in the meanwhile. Is there any remedy for this state of affairs? Mr.P.Hogan,T.D., in an interview this week gave it as his opinion that an effort must be made to shorten the road between the producer and consumer. He did not state, however, how this is to be accomplished. Farmers in Scotland have recently made an effort to solve the problem on the following lines:--A number of Angus farmers found that the butcher was getting the 'giant's share' of the profit on their cattle, so they formed themselves into a group and opened a shop for the sale of meat supplied direct by the producing members of the company. The idea, we believe, was a singular success and now the Aberdeenshire N.F.U. have taken up the question and have appointed a special committee to consider the feasibility of opening shops in London and other important centers for the sale on a cooperative basis of prime Scottish beef. Of course, this is only one more or less individual effort, and it may or may not meet with the success with which it deserves. Agriculture has to face the fall in world prices, and apart from fluctuations in prices as the result of local conditions, consideration must be given to world variations. But, allowing for this, it is well to remember that there is always the danger of the producer of a commodity, who is not in a position to market that commodity effectively, being at the mercy of the middleman, retailer, or whoever is permitted to undertake the work of marketing. All great productive industries are now paying more and more attention to their methods of distribution and marketing....Unless something can be done to shorten the road between the producer and the consumer the farmer must go to the wall...."

Lord on Government Thrift A dispatch from Chattanooga, Tenn., to the press of October 27 states that Brig. Gen. Lord, Director of the Budget, told of the work of his department at the thirty-second annual convention of the National Association of Manufacturers, at Chattanooga October 26. Director Lord is reported to have said: "....The best available estimate now promises a surplus in excess of $300,000,000 at the end of this fiscal year."...."It has been the custom for years to accuse Federal agencies and personnel of waste and extravagance," he said. "If such attacks were justified in the past they are not justified at present. There is no business that is more efficient than the business organization of the Federal Government as it is now operated. To-day the value and worth of a Federal employee is gauged not only by the amount he spends but by the amount of money he saves, and that without any sacrifice of efficiency, but with increased efficiency, and these two are not incompatible."

Section 3
MARKET QUOTATIONS

Farm Products

Oct. 27: Top price on hogs at Chicago $10.25.

Maine sacked Green Mountain potatoes $2.10-$2.25 per 100 pounds in eastern markets; few sales at $1.65 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.35-$1.50 carlot sales in Chicago. New York and midwestern yellow onions $1-$1.85 sacked per 100 pounds in leading markets; $1.25-$1.45 f.o.b. New York Baldwin apples $1.50-$2 per bushel basket in New York City; few sales $1.75 f.o.b. Rochester. Illinois and Michigan Jonathans $7-$8 per barrel in Chicago; West Virginia Yorks $5.50-$6. New York Danish type cabbage $10-$18 bulk per ton in terminal markets; few sales $8-$9 f.o.b. Rochester.

Closing prices on 92 score butter: New York 48¢; Chicago 46½¢; Philadelphia 49¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets Oct. 26: Single Daisies 27¢; Longhorns 27½; Square Prints 27¾¢.

Average price of Middling spot cotton in 10 designated markets declined 20 points, closing at 20.65¢ per lb. December future contracts on the New York Cotton Exchange declined 27 points, closing at 20.73¢, and on the New Orleans Cotton Exchange they declined 12 points, closing at 21.05¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.23-$1.48. No.2 red winter Chicago $1.33; Kansas City $1.36-$1.40. No.3 red winter Chicago $1.31. No.2 hard winter Chicago $1.25; Kansas City $1.37-$1.44. No.2 mixed corn Chicago 81¢; Kansas City 76-79¢. No.3 mixed corn Chicago 79¢; Minneapolis 73-74¢; Kansas City 74-77¢. No.2 yellow corn Chicago 82-83¢; Kansas City 77-80¢. No.3 yellow corn Chicago 80-81¢; Minneapolis 77-73¢; Kansas City 76-79¢. No.3 white corn Kansas City 74-77¢. No.3 white oats Chicago 46-50¢; Minneapolis 44-45¢; Kansas City 47-49¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 27,	Oct. 26,	Oct. 27,1926
20 Industrials	183.96	184.78	149.56
20 R. R. stocks	137.23	137.78	116.51

(Wall St. Jour., Oct.28.)

DAILY DIGEST

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Vol. XXVII, No. 25 Section 1 October 29,1927

TAX REDUCTION The Associated Press to-day reports: "The Treasury will stand pat for limitation of the prospective tax reduction to less than the $300,000,000 mark when its spokesmen present the administration program to the House ways and means committee at the opening of tax hearings Monday. Latest figures on the prospective surplus for this year were being compiled last night at the office of Ogden Mills, Undersecretary of the Treasury, and little hope was held forth that the administration would sanction even a higher cut than $250,000,000. In this reduction, the Treasury will give its approval to a slash in the corporation levy and to repeal of some of the remaining war-time nuisance and excise taxes. Repeal of the estate or inheritance tax also will be sought again by the administration, but exact details of its program have not been mapped out pending the determination of the latest figures on the surplus...."

BUSINESS AND GOVERNMENT The press to-day reports: "Reorganization of Government departments, tax reduction and revision of the postal rates were asked of President Coolidge yesterday by Lewis E. Pierson on behalf of the United States Chamber of Commerce, of which he is president. Mr. Pierson called on the President to present the chamber's legislative program. 'Coordination of Government administrative activities, doing away with overlapping on the part of bureaus, commissions and departments is a basic necessity in any program for a more efficient and economical administration,' the statement presented to the President read....'There is an increasing danger in the growing pressure on Government to enter into those fields of activity which it is more proper to carry on by private enterprise. This not only increases the cost of Government, but is definitely antagonistic to the principles on which this Government was founded and on which it has been builded to its present position of leadership. Postal rates have never been fixed according to business principles,' the statement continued. 'There is unjust discrimination in the rates charged to certain portions of the public, thus defeating the purpose of public service and handicapping certain groups of mail users....' Without treating with the question specifically, the statement said, there still remain 'certain war revenue taxes which, we believe, should now be largely reduced or repealed. We are confident this may be done without jeopardy to a sound governmental fiscal policy.'...The flood problem is a national one, the statement said, and should be dealt with by Congress without connection with any other project."

TOBACCO SALES A Durham, N.C., dispatch to-day states that yesterday's sales on the Durham tobacco market reached the highest peak in prices of the season with 504,860 pounds of tobacco, bringing an average of $29.76 per hundred. Tobacco was brought from as far away as Danville and Warsaw.

Section 2

British Agricultural Research

Country Life (London) for October 15 says: "We wrote last week of the opening of the Imperial Agricultural Research Conference and of its importance to the cause not only of agriculture, but also of British industry, whose continued expansion must depend on increased prosperity among primary producers throughout the Empire. Now, the three main problems connected with research are money, personnel, and dissemination of knowledge. With regard to the first of these, it is always difficult in times of financial stringency to rebut the claims of economy. The words of a committee of the Imperial Conference of last year, however, are worth quoting: 'We consider,' they said, 'that the poorer a country is the greater its need to develop and employ its scientific resources to the fullest extent. This is particularly true for the British Empire with its enormous potential resources which can not be fully developed without the aid of science....To some extent, both this country and the Empire as a whole have courageously advanced in the lean years since the war. The sum now devoted by England and Wales to agricultural research, education and allied activities amounts to about 700,000 pounds per annum. True, this is but one-third of one per cent of the annual output of our land, which is estimated to be 225,000,000 pounds; yet it represents a ten-fold advance on the early years of the century. The Empire, too, has taken a great step forward by the establishment of the Empire Marketing Board, who have recognized research as the most promising channel to which they can devote their funds. And, since agriculture maintains 80 per cent of the Empire's population, research in this industry claims the first place in their attention. The question of personnel--of obtaining men of the necessary ability and quality of mind--is no less pressing than the financial aspect, and is engaging the urgent attention of the conference. Means must be found to attract men of the very highest calibre, for to employ others on research leads to direct waste of opportunity, time and money. The Colonial Office inaugurated a scholarship scheme in 1925 which has already led to a better class of candidate coming forward...Chemists, physicists and engineers appear to be plentiful; the shortage is in botanists, mycologists, physiologists, veterinarians--young men fired with enthusiasm for investigating the living, not the dead. The Colonial Office have also recently put forward proposals for the establishment of an Imperial Scientific Service to embrace all existing and future workers in the Crown colonies and dependencies. A central directing council in London would coordinate the work, and would draw on the mobile reserve of qualified workers arising from the scholarship scheme. It does not seem extravagant to hope that such a service, when formed, will be coordinated, if not actually united, with the existing services of the self-governing Dominions....."

Farm Education in Denmark

An editorial in The Rural New-Yorker for October 29 says: "Everyone who studies the Danish system of cooperative farming thoroughly in Denmark comes back from the subject well convinced that the foundation element of success is the system of farm education, which teaches young people the necessity of working together. We have already described the famous folk schools which have become so successful in Denmark. They are peculiar to the country, and have been the final element in giving the Danish people that peculiar educational clutch which has enabled them to hold cooperation together. In fact, it seems more and more evident, the more we study it, that true education in the country schools is largely responsible for Denmark's success. In thi

country there seems to have been little or no real attempt to develop our system of country schools so as to have it grow into a great national industrial and patriotic system, as is the case in Denmark. Here, the great design is to train a country boy or girl so that he may 'pass' into a town school where he is rarely if ever trained as a practical worker. Thus it happens too often that when a large cooperative working society is formed, there are too many men trained as managers and too few of them who really work. It seems to be true that in national cooperation of farmers there must be something basic in training or common education to give children what they need in the habit of cooperation. We have very little if anything of this here now."

International Grain Pool

An editorial in Price Current-Grain Reporter for October 12 says: "One part of the program mapped out at the wheat pool conference that was held in Kansas City this spring is 'to bring all of the wheat pools in the exporting countries under one head, such as the conference, whereby we can better regulate the supply and prevent dumping at certain seasons of the year.' The plan is certainly an ambitious one and it is, of course, barely possible that it could be worked out, although with Australia, India, Canada, Argentina, the United States and perhaps Russia in more or less direct competition with each other in the marketing of their grain, bringing the pools of these different countries under one directing head seems highly chimerical. Furthermore, the financing of such a gigantic international organization would present a practically insurmountable difficulty. Farmers in most of the other countries are not in nearly such good financial condition as are those of the United States and Canada, and even in these, many farmers are frequently in distress because of delayed pool payments. We do not know what percentage of the world's exportable surplus is or could be controlled by these different pools and while the amount might actually be large, it would be relatively small compared to the total world exports. The effect, therefore, of the combination, could not help but be disappointing to pool farmers...."

Lamb Campaign

An editorial in The National Wool Grower for October says: "An attempt is made in this issue to report the methods employed and results obtained at Springfield, Illinois, in the lamb campaign conducted there from September 13 to October 1. It is impossible for any one who was not in Springfield at the time to realize or fully appreciate what was done. The National Live Stock and Meat Board, the Institute of American Meat Packers, the National Association of Retail Meat Dealers, the local butchers and the press all cooperated in a wonderful way. When the work closed the lamb sales had been more than doubled and the enthusiasm of the retailers gives assurance that further gains will be made and held."

Livestock Club Work

An editorial in Farmstead, Stock and Home for October 15 says: "It is interesting to total in dollars and cents the value of the livestock produced this year by members of the boys' and girls' clubs in Minnesota. There were 3,000 dairy calf club members, each growing a calf that at a conservative estimate was worth $60 as many were purebred animals. This makes a total production to the value $180,000. There were 2,200 pig club members each growing a pig worth say $25 ,

or a total of $55,000 worth of pork. There were 1,200 baby beef club members each growing an animal worth $75 , or a total of $90,000; and the 1,200 sheep club members added to the grand total at least $24,000. Altogether, this makes a sum of about $350,000 worth of livestock produced by the club members in their regular work this year. This is a rather inspiring financial return, to be sure, but it is not in the way of immediate financial rewards that value of the club work is measured. Annual financial returns are merely incidental. It is in the educational features of the work where the real value lies. This value can not well be overestimated. This in itself as it affects the future of the individual club member is worth many times the cost and effort of club work. And there is the added splendid effect of the work upon the fathers and mothers of the club members. Parents not only gain great pleasure and comfort in the success of their boys and girls in club work, but they invariably profit by the examples in better methods that their youngsters are displaying. The 4-H Club movement is the outstanding promise for the future of American agriculture."

Loganberry Production in England

An editorial in Better Fruit (Portland, Oreg.) for October says: "The English people, who must have jams to eat just as consistently as we Americans must have our pies, are very fond of the loganberry. The wonderful tart and distinctive flavor accounts for this. Now we find that English fruit growers are being urged to take up production of loganberries. Since the climate of England closely approximates that of the Pacific Northwest the logan will flourish there as here. It must prove wonderful merit on the part of a berry that a few tastes of limited supplies of the fruit shipped 7,000 miles should win such favor and attention. That the logan has that wonderful merit is well known to our home folks of the Northwest. It constitutes the favorite berry pie of the Northwest and the same thing would be true in the Nation if the berry were known and available everywhere. Though canned logans have been going in large quantity to England there is no need to worry for some time about loss of that export business. The point is that this berry should be exploited in the United States. Demand for it could be immeasurably increased. The big reason every possible means should be employed to increase consumption of loganberries is that the Pacific Northwest can maintain a virtual monopoly upon the Nation's output. Monopolies in all other lines mean excellent profits."

Master Farmers

An editorial in The Farmer (St.Paul) for October 22 says: "The second annual banquet given in honor of the Master Farmers of the Northwest will be held in the Twin Cities under the auspices of The Farmer on the evening of November 22. At that time we will announce the names of the group of farmers selected this year as being worthy of the title of Master Farmer....Last year we selected sixteen Master Farmers who were asked to come to the Twin Cities to attend a banquet given in their honor and to receive the Master Farmer gold medal presented by The Farmer. This banquet was one of the most impressive and most inspiring events within the memory of those who attended. The influence of that event has been felt in all sections of the Northwest because it gave a stimulus to the idea of highly efficient farming as a modern necessity. The emphasis placed upon this high type of rural citizenship proved most inspiring to those who came to know what Master Farming really means. This year over two hundred northwestern

farmers were nominated by their friends and neighbors as being worthy of consideration as Master Farmers....However, the judges of the contest following the rigid rules laid down for the purpose of making this title mean the nearest approach to perfection have whittled the list down to approximately twenty men who will be known as the 1927 Master Farmers...."

New York Rubber Exchange

"The second annual report of the New York Rubber Exchange, Inc., is one of notable progress. In view of the uncertainties prevalent in the rubber market the volume of business done was very gratifying. About 72,000 contracts were traded in, representing some 180,000 tons of rubber with a value of more than $150,000,000. The price trend has been generally downward, though with frequent interruptions. During the year twenty-seven memberships have been transferred at an average price of $4,617. The highest price paid was $5,500, and the lowest was $4,000. The Exchange has reelected F.R.Henderson, president for a third term...." (Commerce and Finance, Oct. 26.)

Section 3

MARKET QUOTATIONS

Farm Products

Oct. 28: Top price on hogs at Chicago is $10.25.

Maine sacked Green Mountain potatoes $2-$2.25 per 100 pounds in eastern cities; $1.55-$1.60 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.35-$1.50 carlot sales in Chicago; dealers asking $1.30 f.o.b. Waupaca. Virginia yellow sweet potatoes in New York City $1.50-$1.75 per barrel but elsewhere at $2-$2.40. New York and midwestern yellow onions $1.25-$1.85 sacked per 100 pounds in consuming centers; $1.30-$1.45 f.o.b. New York Baldwin apples $5-$6 per barrel in New York City; mostly $1.75 per bushel basket f.o.b. Rochester. Illinois and Michigan Jonathans $7-$8 per barrel in Chicago.

Closing prices on 92 score butter: New York 48¢; Chicago 46¾¢; Philadelphia 49¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets Oct. 27: Single Daisies 27¢; Square Prints 28¢.

Average price of Middling spot cotton in 10 designated markets declined 66 points, closing at 19.98¢ per lb. December future contracts on the New York Cotton Exchange declined 68 points, closing at 20.05¢, and on the New Orleans Cotton Exchange they were down 74 points, closing at 20.31¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.22-$1.46. No.2 red winter Chicago $1.33; Kansas City $1.35-$1.40. No.3 red winter Chicago $1.32. No.2 hard winter Chicago $1.25; Kansas City $1.36-$1.42. No.2 mixed corn Chicago 83¢; Kansas City 75-78¢. No.3 mixed corn Chicago 80¢; Minneapolis 74-75¢; Kansas City 73-75¢. No.2 yellow corn Chicago 83-84¢; Kansas City 78-80¢. No.3 yellow corn Chicago 82¢; Minneapolis 79¢; Kansas City 77-79¢. No.3 white corn Kansas City 75-77¢. No.3 white oats Chicago 47-51¢; Minneapolis 44-46¢; Kansas City 47-49¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 26 Section 1 October 31, 1927.

BUSINESS MEN'S FARM COMMISSION The New York Times to-day states that the Business Men's Commission on Agriculture, which has been investigating the agricultural situation and studying the farm economic problem for a year, will make its report public on Nov. 13. The report will contain an analysis of the agricultural situation, a discussion of legislative proposals of the McNary-Haugen and other types and of the relation of the protective tariff system to the agricultural problem.

ECONOMIC PROGRESS IN EUROPE Definite progress toward economic recovery has been made by Europe in the past few months, according to Basil Miles, American administrator with the International Chamber of Commerce at Paris, who analyzes briefly the situation abroad in a report made public at Washington, October 30. "Individual countries," Mr. Miles reports, "are progressing steadily to an extent which had already changed the face of Europe, and, by that very fact have bettered conditions elsewhere beyond its confines. Those who have observed France are clearing their minds that the capable performance of M. Poincare's administration is reaping its logical harvest. Critics who are sceptical about Germany seem to ignore the incontrovertible facts of the rise from chaos to stability in three years. Observers of Italy seem impressed rather by the price than by the amazing benefits, not only material but spiritual, which Italians have received in return for the sacrifices their present regime has acquired. Perhaps the darkest cloud in Europe is that which hovers over the delayed solution of the relations between capital and labor."

KANSAS CITY BANK LOSS An Associated Press dispatch from Kansas City to-day says: "Diversion of assets and obscure dealing directorates of allied companies placed the Kansas City Joint Stock Land Bank in a 'chaotic condition,' from which 'substantial losses' may be expected, W. R. Compton of St. Louis, the receiver, declared in a preliminary report to the Federal Farm Loan Board, issued last night. Mr. Compton says that, due to the 'involved and complicated condition,' it was impossible to make more than a preliminary or progress report at this time...."

PERSHING TO ADDRESS FARMERS The press of October 31 reports that General Pershing has accepted an invitation to address the national convention of the American Farm Bureau Federation which will be held in Chicago December 5,6 and 7. The General was invited to speak on the importance of prosperous agriculture as a factor in maintaining American institutions.

POLAND AND COTTON A Berlin dispatch October 31 states that the establishment of Polish cotton consumers' syndicate, for the purpose of importing directly without the intermediation of Liverpool or Bremen, is attracting much discussion.

Section 2

Agricultural Policies

An editorial in Wallaces' Farmer for October 28 says: "Lewis E. Pierson, president of the United States Chamber of Commerce, looks on the agricultural problem as a local and regional affair. In our opinion, the United States Chamber of Commerce is making a mistake in taking this attitude. While we recognize that there are many agricultural problems which are peculiar only to certain sections, we nevertheless feel that there is a very definite national agricultural problem. When cotton growers reduce their cotton acreage, they grow more corn and wheat. When corn growers grow less corn and fewer hogs, they go into the dairy business. When wheat growers grow less wheat, they tend to go either into the corn and hog business or into dairying. We are all members of the same body, and what one section of the country does inevitably affects another. A local chamber of commerce can easily be excused for taking the local point of view toward agriculture. It is unfortunate that the United States Chamber of Commerce, with its broader outlook, should take this attitude."

Business Cycles Scored

An Associated Press dispatch October 29 says: "The graphs and curves of the academic business prophet are about as pertinent to modern business as the 'hoop skirt and bustle are in the arts of modern love,' Virgil Jordan, chief economist of the National Industrial Board, told the American Iron and Steel Institute at New York. Mr. Jordan, speaking before 1,600 members gathered for the semiannual meeting of the institute, declared that 'we are fast making a fetish of figures in this country.'...'These prognosticators, with their predictions of seven fat years and seven lean years are more dangerous than palmists and other frank fakers,' he declared. There is no need of the country's having alternating periods of depression and inflation, he asserted. Business men have long suspected this, 'but they have been swayed by the impressive figures, graphs and charts of professional analysists, whose art is about as valuable as that of their forebears, the magicians and the medicine man....'"

The report states that Charles M. Schwab, newly elected president to succeed Elbert H. Gary, presided. He reported improved conditions in the steel business, asserting that there had been a heavier tonnage of orders and specifications recently, and expectations for an increased volume gradually were being realized. Mr. Schwab warned that destructive competition was ill advised and costly.

Florida Products

An editorial in Florida Times-Union for October 25 says: "Florida is not raising enough products of the soil or things that are produced on farms to feed the people who live here. Florida ships away an enormous amount of fruits, vegetables, livestock, poultry and other things, but the balance sheet, figured up by the State Marketing Bureau suggests that there is room in the State for many agriculturists, dairymen and poultrymen. The Tampa Tribune a few days ago remarked that the statement made by State Marketing Commissioner Rhodes regarding production and consumption 'draws a more or less deadly parallel,' and suggests that 'the loss that Florida annually suffers in buying outside the things it could produce on its own soil, on its own ranges and in its own waters, should both stagger the imagination and stimulate the activities of all Floridians. The Tribune then presents the following facts and figures: 'Florida's consumption of pork, bacon and lard is $32,000,000 a year. It produces $8,000,000 and imports $24,000,000. Florida buys from other States three-fourths of the pork, bacon and lard it uses. Florida's consumption of beef, veal and lamb is

$24,000,000 a year. It produces $8,000,000 and imports $16,000,000. Two-thirds bought outside. Florida's consumption of dairy products is $34,000,000 a year. It produces $10,000,000 and imports $24,000,000. More than two-thirds bought outside. Florida's consumption of poultry and eggs is $26,000,000 a year. It produces $13,000,000 and imports $13,000,000. One-half bought outside. Florida imports each year more than $50,000,000 worth of grain, hay and other feeds, flour, meal, canned goods, fruits and vegetables. Its total importations of foods and feeds reach $129,000,000. Yet Florida's production, with only one-tenth of its 35,000,000 acres utilized, totals $181,000,000 in vegetables, fruits, livestock, poultry, minerals, game and hides, in addition to $100,000,000 worth of forest products, and $20,000,000 worth of fish and seafood--more than $300,000,000 from one-tenth of its potentially productive area...."

International Radio Conference

The press of October 29 reports that European broadcasters attempted again October 28 to obtain from the international radio conference allocation of wider exclusive wave lengths, despite previous concessions to their viewpoint by the technical subcommittee in charge of this allocation. This demand was quickly rejected after American opposition had been manifested.

Negro Progress in South

An editorial in The New York Times for October 28 says: "...The University of North Carolina has recently published a booklet devoted entirely to a study of the condition and progress of the negroes of that State. Of the 209 accredited negro high schools in the South, North Carolina leads with twenty-five. Almost half of the boys and girls who begin the four years' course remain to finish it. Along with a better education goes improvement in farm work, in home conditions and in business....A few examples of exhibits at the annual Southeastern Fair, held in Atlanta, will give a notion of what is going on in other Southern States. Begun twelve years ago with one small table, it has grown to a space of 20,000 square feet, occupying a whole floor of the agricultural building. The greatest variety and the best exhibits came from those sections where extension workers are in the field. School exhibits included a vast amount of conventional work--'pictures, maps, posters, essays, historical sketches and the like; and very beautiful work, too.' Grouped under domestic science were sewing, which included everything from the simplest needlework to men's tailored suits; and cooking, with bread, rolls, cake, pie and canned goods in endless variety. The boys and men were represented by furniture, brick work, engines and many different farm products. To encourage the growing of diversified crops is one purpose of the extension workers, or demonstrators, as they are sometimes called. That they are succeeding in obviating the dangers of the one-crop system is evident in the variety of the farm displays. The Columbus Enquirer-Sun, reporting these, said: 'Wonderful meat displays from Peach and Houston, fine corn and bacon from Clarke and other counties, and endless arrays of sorghum, soybeans, alfalfa, tobacco, oats, eggs, peanuts, pecans, melons, fruits and vegetables...were unmistakable evidence that the lesson is being learned.'...."

Oleomargarine Consumption

An editorial in The Dairy Record for October 19 says: "Oleomargarine consumption increased about 15 per cent during the first six months of the present year, while butter consumption during the same period decreased about two per cent. These are figures to which the dairy industry can well give serious thought. We have been so accustomed to considering oleomargarine consumption as something which is based upon butter prices that it is taken for granted that it is only in the high-priced butter months that the oleomargarine manufacturer's showing is at all impressive. It is true that the sale of oleomargarine increases materially during the peak price months for butter, but the fact should not be overlooked that in June, one of the months when butter is usually at its lowest price level, the production of oleomargarine was 3,250,000 pounds greater in 1927 than it was for the same month last year. There should be an increase in butter consumption of approximately 35,000,000 pounds annually to keep pace with the normal increase in population. The two per cent decrease, then, actually represents a greater decline than the figures indicate, since they do not take into consideration the normal increase in the consuming population for a twelve months period. Well, what's the dairy industry going to do about it?"

Stolen Automobile Recovery

Seven hundred and eighty-five stolen automobiles, valued at $542,300, were recovered by field agents of the Department of Justice between July 1 and Sept. 30. The largest recoveries were 87 in the Chicago district, 63 in the Nashville district, 58 in the St. Louis district and 45 in the Kansas City district. Since the passage of the Federal law of 1919 providing for the punishment of transportation of stolen automobiles from one State to another, automobiles to the number of 15,032 have been recovered, the total value of such machines being $12,482,670. (Press, Oct. 28.)

Trade Dispute Losses

The number of working days lost through trade disputes in Great Britain has been reduced to 787,000 days for the first eight months of the current year, as compared with 104,166,000 in the same period of 1926 and with only 5,662,000 days lost in the first eight months of 1925. In the full year 1926 there were over 162,000,000 days lost in a total of 313 disputes; while in 1925, which is more comparable than 1926 on account of the coal strike in the latter year, there were 604 disputes involving a loss of 7,966,000 working days. According to advices received by Bankers Trust Company of New York from its British information service, at a recent meeting of the Trades Union congress the president of the organization expressed himself in favor of cooperation between the workers and the employers' organizations in a common endeavor to improve the efficiency of industry and to raise the workers' standard of life. He also expressed satisfaction at the result obtained in the matter of trade disputes causing great losses of time. He promised to cooperate with the various chambers of commerce, but he expressed the belief that the objects sought could best be attained by employers and employed in each individual industry coming together as an industry, rather than at roundtable conferences between representatives of different industries.

Section 3

MARKET QUOTATIONS

Farm Products Oct. 29: Potato markets continued to decline. Maine sacked Green Mountains mostly $1.55 f.o.b. Presque Isle. Pennsylvania sacked Round Whites $1.85-$2.15 in the East. Wisconsin sacked Round Whites $1.35-$1.65 carlot sales in Chicago; mostly $1.30 f.o.b. Cabbage dull. New York Danish type $10-$18 bulk per ton in city markets; $7-$8 f.o.b. Rochester. Onions dull; prices about steady. New York and midwestern yellow varieties $1.25-$1.85 sacked per 100 pounds in consuming centers; $1.30-$1.40 f.o.b. Apples firm. Eastern Yorks $5-$5 per barrel in city markets; Jonathans mostly $2-$2.50 per bushel basket. Michigan and Illinois Jonathans $7-$8 per barrel in Chicago.

Butter markets were firm at the close of the week ended Oct.29, having recovered from an earlier weakness. Prices continue the advancing trend. Receipts show some increase but are still light. Closi prices of 92 score: New York 47½¢; Chicago 47¢; Philadelphia 48½¢; Boston 47½¢.

Cheese markets were easier on the Wisconsin cheese boards of Oct. 28, prices declined ½¢ to 5/8¢ from the preceding week. Trading was slower on account of the uncertainty of the situation. Closing prices at Wisconsin primary markets Oct. 28: Flats 27¢; Single Daisies 27¢; Square Prints 28¢.

Average price of Middling spot cotton in 10 designated markets advanced 76 points for the week, closing at 20.22¢ per lb. December future contracts on the New York Cotton Exchange advanced 69 points, closing at 20.39¢, and on the New Orleans Cotton Exchange they advanced 72 points, closing at 20.55¢.

Hay market somewhat easier with liberal offerings and limited demand. Considerable quantities medium to lower grades among arrivals. Alfalfa offerings liberal with much medium to lower grade hay and considerable grass mixed hay at Kansas City. Prairie dull. Feed market holding practically steady past few days. Wheatfeeds about unchanged. Linseed meal about steady. Cottonseed meal fractionally lower some markets, firm to higher at others. Gluten feed practically unchanged but hominy feed lower with corn. Tankage advanced to level of three weeks back.

Top price on hogs at Chicago is $10.25. Grain fed steers are steady to 35¢ higher, the new high top being $17.75. Inbetween grade fed steers closed very uneven and generally 25¢ lower. Western grassers are 50¢ higher, fat cows and heifers 25¢ to 50¢ lower, bulls steady to weak, vealers $1 lower. Fat lambs closed 35¢ to 50¢ higher, sheep strong to 15¢ higher and feeding lambs 35¢ to 50¢ higher. Wholesale prices on fresh western dressed meats at New York were steady on good grade steer beef, steady to $1 lower on veal, $2 to $3 lower on lamb, 50¢ to $1 higher on mutton, $7 to $8 lower on light pork loins and $5 to $6 lower on heavy loins.

Grain not reported. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVII, No. 27 Section 1 November 1, 1927

THE SECRETARY ON FARM RELIEF The Associated Press to-day reports: "Farm relief is not likely to be accomplished by a single legislative measure, nor are Federal laws sufficient to cover the whole field of farm legislation, in the opinion of Secretary Jardine. Federal laws, he believes, have been so emphasized in recent years that State farm legislation has been overlooked. Expressing his views in an article published yesterday in the Oklahoma Stockman and Farmer, the Secretary of Agriculture defended his own plan for farm relief through stabilization corporations under the direction of a Federal farm loan board...."

MELLON ON TAX CUT A $225,000,000 tax reduction, abolition of the estate tax, and retention of the admission and automobile taxes were recommended by the Secretary of the Treasury Mellon yesterday when he appeared before the House ways and means committee, which formally set about drafting a new revenue bill. Mr. Mellon submitted these five basic recommendations: 1. Reduction of the corporation tax from 13½ to 12 per cent involving a revenue loss of $135,000,000. 2. Permitting corporations with net income of $25,000 or less and with not more than ten stockholders to file returns and pay the tax as partnerships or corporations at their option. This would mean a revenue reduction of $30,000,000 to $35,000,000. 3. Readjusting the intermediate brackets of the surtax rates, applying to incomes between $18,000 and $70,000 and involving a revenue loss of $50,000,000. 4. Repealing the estate tax, involving a loss of $7,000,000. 5. Exempting from taxation the income derived from American bankers' acceptances held by foreign central banks of issue. (Press, Nov. 1.)

ONION TARIFF According to the press to-day, President Coolidge was asked yesterday by Senator Waterman of Colorado to raise the tariff on onions by 50 per cent, the greatest rise allowed under the law. The Senator forwarded to the White House a telegram from the Uncompamore Valley Water Users' Association of Montrose, Col., urging the increase.

LINDBERGH TAKES POST The New York Times to-day states that rejecting the many offers of high-salaried posts with commercial aviation companies, Col. Charles A. Lindbergh has accepted a position with the Daniel Guggenheim Fund for the Promotion of Aeronautics. He will have a free hand to do what he likes for an indefinite period. The announcement that he had decided to remain with the Guggenheim organization came yesterday from Harry F. Guggenheim, its president. It read: "Col. Charles A. Lindbergh has determined that for the present, at least, he will not identify himself with any commercial undertaking. The Daniel Guggenheim Fund for the Promotion of Aeronautics therefore has retained Colonel Lindbergh in a consulting capacity. Under the arrangement with him he will be free to engage in any activities which will, in his judgment, promote the cause of aviation....He will become a member and trustee of the fund...."

Section 2

Canadian Farmers' Tours

An editorial in Ontario Farmer for November 1 says: "Organized farmers' tours have become quite the vogue during the last half-dozen years, but for the most part they have been confined to motor jaunts of four or five days' duration, covering anywhere from 500 to 1,000 miles. ...We have no definite official information at hand, but we believe we are safe in stating that during the past summer parties of farmers went out from fully half the counties of Ontario to visit outstanding farms and points of general interest in other counties and in the United States. Now comes a new proposal in the way of farmers' tours--a proposal to conduct an organized party of Canadian farmers over a prearranged route through England, Scotland and Denmark, with the object of affording opportunity for a study of British methods of marketing and market requirements, the place which Canadian produce occupies in that market, and Danish methods of cooperative effort of which everyone in this country has heard and read so much. The proposal comes from the Canadian National Railways, which organization has worked out, through its British and European agencies, a most complete and comprehensive itinerary. The promise of hearty and active cooperation has been secured from the Empire Marketing Board, the officials of a number of large marketing centers, and Danish authorities...."

Free Radio Field Urged

"A free field and no favors" for all organizations in the communication business was advocated by Clarence H. Mackay at a dinner he gave at New York, Oct. 29, to 400 delegates representing fifty-six nations at the International Radio-Telegraphic Conference now in session at Washington. Mr. Mackay asserted that this policy of free competition had enabled the expansion of telegraph systems to all parts of the world and had done more for the growth of international commerce and good-will than any other agency. (Press, Oct. 30.)

Meat Situation

A review of the meat and livestock situation during the month ending October 31, issued by the Institute of American Meat Packers, states: "Sharp declines in the price of hogs and the wholesale prices of fresh pork products have characterized the meat trade during the last two weeks and created a situation that should interest consumers. As a result of these declines, fresh pork loins now are wholesaling at levels that are 20 per cent lower than at the beginning of the month and 22 per cent lower than a year ago. Prices of smoked meats also were affected and declined slightly. Beef prices remained fairly steady during the first part of the month, but strengthened slightly toward the close, in the case of the choicer grades. The export demand for American pork products was limited. In England, the demand for meats was very moderate, and prices there moved gradually downward...."

Missouri Flood Plan

A St.Louis dispatch to the press of October 30 says: "One hundred representative business men of St.Louis have just returned from a boat trip down the Mississippi River as far as Memphis, and aside from the fact that they learned much about the flood which devastated the lower valley seven months ago, a concrete plan of relief for the stricken district resulted from the tour. It is known as the 'Missouri Plan,' and will be presented to Congress this winter...The plan involves two phases--a definite program of flood prevention in the Mississippi Valley and loans to meet the outstanding obligations of drainage districts so that rehabilitation may be facilitated. A fund of $1,000,000,000, obtained by bond issue over a period of ten years,

would be made available for flood control, provision being made for the repayment to the Federal Government of loans made to the affected districts. Among its chief features are the creation of a new river commission of five members, including two Army engineers, two civilian engineers and one man selected for his executive ability...."

Nagel on Agriculture

Charles Nagel, chairman of the Business Men's Commission on Agriculture, writing from New York to the press of October 30, says: "The fact that the agricultural situation in the United States has seen improvement in several respects during the current year should not be allowed to obscure the more important fact that some of the farmer's difficulties are fundamental and challenge consideration as a national economic problem. Such temporary price fluctuations in favor of agricultural products as have recently occurred can have none but temporary effect, while price fluctuations in the other direction later may make the farm problem more acute than ever....The agricultural problem, as it presents itself to the Business Men's Commission on Agriculture, through the extensive testimony before it, can not be disposed of simply by the dictum that agriculture would be all right if properly conducted. There is probably no single remedy to adjust matters. The great need is an adequate return to the farmer for his labor and investment, sufficiently adequate to enable him to weather the hazards of his industry, to carry temporary surplus over to the time when it is in demand and sufficient to allow him to take care of farm depreciation and to fertilize his soil. Many factors enter into obtaining this margin of profit for him. The economic consequences of the country's evolution from an agricultural to a prevailingly industrial community we can not eliminate. But we should be able to cope with these new conditions. It is to be assumed that we wish to continue as a self-sufficient nation, agriculturally and otherwise. For that reason we must have an adequate agriculture, and an agriculture sufficiently prosperous to be an attractive way of living and economically strong enough to stand on its own feet without crutches or artificial props...."

Pacific Livestock Sales

An editorial in Western Breeders Journal for October 15 says: "The Pacific International Purebred Livestock Sales will be watched with a good deal of interest this year. The sales of 1925-26 were so much more encouraging than for the few years previous that the hope is inspired that the breeding industry will continue to show solid progress from an economic standpoint. Auction sales of good purebred livestock this year all over the country have clearly indicated a strong demand for stock of the desirable type at a remarkable advance in prices paid during the last few years. Buyers can still procure good breeding animals at prices far below their real value. The Pacific International sales will enable them to make an investment in breeding stock that will pay big dividends."

Pecan Marketing

An editorial in Modern Farming for October 15 says: "In an address delivered before the National Pecan Growers' Association at Shreveport on September 27, Harry F. Kapp, secretary and manager of the Louisiana Farm Bureau Association, outlined a comprehensive plan for efficient marketing of the pecan crop....The central idea of this plan is the establishment of a 'central agency covering all the territory in which pecans are produced in commercial quantities.'

This agency is described as a 'non-profit making, non-capital stock pecan cooperative marketing association.'..."

Production versus Distribution

An editorial in Successful Farming for October says: "A debate is on between those who claim that the next step is distribution; that production has reached its limit, and those who claim that more efficient production is the salvation of agriculture. More and more attention is being rightfully given to the problem of distribution, but have we yet arrived at perfection of production when no further heed need be given that phase of agriculture? Reduction of overhead must come from a greater production per person, which, of course, includes a greater production per acre. Last year the farm population was decreased by 1,020,000. That does not mean that production will be decreased. It means that a million farm people thought they could use their time and energies to better advantage off the farms in other lines of endeavor. This in some cases removed the surplus labor that could not be absorbed. In some cases it leaves the farms short of labor. They must find ways of making machinery take the place of man power. Each farm is a problem in itself. Its number of laborers determines the economic use of equipment as well as the nature of the production. In a large way the advantage of machinery to increase per man production is shown by California rice production. China and Japan have cultivated rice for centuries. Their acre production far exceeds ours, yet we are exporting great quantities of rice to China and Japan each year. The oriental works in the rice fields for 12 to 15 cents a twelve hour day. The Californian works in the rice fields for $8 for an eight-hour day. The oriental produces around thirteen bushels per man and the Californian produces three thousand bushels per man. If a few million workers quit farming and the rest increase their per person production, farming will be on a paying basis. It was demonstrated during the World War that farm production can be greatly increased with fewer men, which proves that we have not as yet reached perfection in production. This phase of agriculture must still be studied, while giving additional study to marketing."

Retail Dollar Expenditure

Large expenditures for automobiles and gasoline, amounting to one-sixth of total retail sales, are revealed in a report on the governmental trade census of Syracuse, New York, issued by the domestic distribution department of the Chamber of Commerce of the United States. Automobiling takes nearly 17 cents of the retail dollar of Syracuse, the report shows. Auto sales absorb 10¼ cents of this, gasoline 3½ cents, and accessories 3 cents. Syracuse spends more on automobiles in proportion to other merchandise than either Denver or Baltimore, two other cities recently covered in the new trade census. For the three cities the larger portion of the retail dollar goes for four classes of merchandise, - food products, clothing, automobiles and house furnishings. Syracuse spends 27 cents for food, 22 cents for clothing, 17 cents for automobiles, and 7 cents for house furnishings. Denver spends 28 cents for food, 24 cents for clothing, 16 cents for automobiles, and 8 cents for house furnishings. Baltimore spends 31 cents for food, 20 cents for clothing, 9 cents for automobiles, and 8 cents for house furnishings. In Syracuse, house furnishings are crowded out of fourth place by building material and heating supplies which account for 8 cents of the retail dollar. Although sales of food products are lower in Syracuse than in the other cities, meat and bakery products rank higher. The city eats more meat and bread, and spends less for

vegetables and dairy products. The census also shows that less of the Syracuse dollar goes for tobacco than in Baltimore or Denver, while a greater amount is spent for jewelry and silverware.

Section 3

Department of Agriculture

The American Review of Reviews for November says: "The Department of Agriculture is working intelligently to help in reducing the marketing difficulties that are encountered by different crops and different localities. It happens this year that the cotton crop is two or three million bales less than last year, and cotton prices are much more agreeable to the South. But, in years when weather conditions are favorable, and the crop is exceptionally large, the problem of handling the surplus in such a way as to prevent a disastrously low price for the entire quantity produced can only be solved by a variety of agencies working together. There is reason to think that in various ways these improved conditions are coming into existence. The Bureau of Agricultural Economics at Washington is now working with local authorities in several cotton States, notably Georgia and Texas, on various phases of what may be called the cotton problem as a whole. Marketing from the standpoint of the individual producer is never overlooked, but the authorities have not ceased to concern themselves about production. At one time the department was studying production as against the ravages of the boll weevil. At another time it was dealing with the question of soils and field practices, in order to increase the quantity of cotton fiber per acre. More recently it is working upon the problem of improving the quality...."

Section 4
MARKET QUOTATIONS

Farm Products

Oct. 31: Top price on hogs at Chicago is $10.40.

Pennsylvania sacked Round Whites $1.90-$2.15 per 100 pounds in eastern cities. Maine sacked Green Mountains $2.15-$2.25 in New York City; $1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.65 carlot sales in Chicago; $1.30-$1.35 f.o.b. Waupaca. Maryland and Delaware yellow sweet potatoes mostly 60¢-75¢ per bushel hamper in eastern markets. New York and Midwestern sacked yellow onions $1.25-$1.75 per 100 pounds in consuming centers; $1.30-$1.35 f.o.b. West Michigan points. Virginia York apples $5.50 per barrel in New York City; New York Baldwins $1.62½-$2 per bushel basket. Michigan Jonathans $7.50-$8 per barrel in Chicago.

Closing prices of 92 score butter: New York 48¢; Chicago 47½¢; Philadelphia 49¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets Oct. 29: Single Daisies 26¾¢; Longhorns 26½¢.

Average price of Middling spot cotton in 10 designated markets declined 6 points, closing at 20.16¢ per lb. December future contracts on the New York Cotton Exchange declined 9 points, closing at 20.20¢, and on the New Orleans Cotton Exchange they declined 17 points, closing at 20.38¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 28 Section 1 November 2, 1927.

TAX REDUCTION AND DEBT CUT The press to-day reports: "Striking contrasts with the Treasury recommendation of a tax reduction limited to $225,000,000 were drawn before the ways and means committee yesterday, when the Chamber of Commerce of the United States demanded a cut of $400,000,000 and the American Farm Bureau Federation opposed any reduction whatever, but urged instead an annual minimum slash of $1,000,000,000 in the public debt....The attitude of the American Farm Bureau Federation against a tax reduction was defined when Chester H. Gray appeared as the last witness of the day. 'In writing the bill, tax reduction should not be the primary object,' he said. 'The present job is one of public debt reduction. The debt was created in times of prosperity and should be paid in such times, rather than refunding taxes to persons and corporations....' The income, corporation, estate and so-called nuisance taxes should all remain, said Mr. Gray, who declared the only tax the federation desired repealed was that on automobiles, which, to farmers at least, were necessities."

WILEY ON FARM PLAN Legislation creating a board to determine the cost of production on farms and then to fix prices of agricultural products was urged yesterday by Dr. Harvey W. Wiley, pure food expert, at the annual convention of the Association of Official Agricultural Chemists at Washington. Doctor Wiley is honorary life president of the association. The board which he proposed would consist of members of the faculties of land grant colleges and agricultural experiment stations, and through their work they would enable the farmer scientifically to fix the prices of his products in order to assure his working at a profit. (Wash. Post.,Nov. 2.)

WAR SECRETARY ON FLOOD REPAIRS The press of Nov. 1 reports that upon returning Oct. 31 from a two weeks' inspection of the Mississippi flood regions, Secretary Davis of the War Department stated that by Jan. 1 the levees would be in condition to meet normal high water next spring. After reporting his observations in person to President Coolidge, Mr. Davis said the general plan for dealing with the flood problem would be ready when Congress convenes, although details would require a longer time for solution. He described the project as more intricate than building the Panama Canal, because so many unknown elements are involved.

EDISON'S RUBBER RESEARCH An Associated Press dispatch to-day from New York says: "Thomas A. Edison is conducting his research into the field of rubber production as a war preparedness measure, he has revealed in an interview to be published to-day in the December issue of Popular Science Monthly. His objective is the discovery of a plant which will produce rubber quickly in America in the event of a war with Europe...."

Section 2

Brookings on Overproduction Losses

In a statement entitled "Overproduction and Its Relation to Antitrust, Immigration and Protective Tariff Laws," issued October 29, Robert S. Brookings, president of the Institute of Economics, attempts to clarify the confusion which he says exists over the question of farm depression and relief. Agriculture, he says, is not the only industry that has had to face losses, for "the indisputable evidence of the corporation returns made under oath to the Bureau of Internal Revenue show that in every year from 35 to 50 per cent of corporations lose money. For the years 1919 to 1923 inclusive, the corporations reporting no income had an average annual loss of approximately $2,200,000,000; eliminating the year 1919, which was an unusually profitable year, the other four years show an average annual loss of over $2,500,000,000. Dun's and Bradstreet's reports show actual failures for three years ranging from .29 per cent to 1.08 per cent of the total number of firms in business, with the liabilities ranging from $113,000,000 in 1919 to $627,000,000 in 1921. These large losses could, of course, only occur through inefficiency or maladjustment in production and distribution, or overproduction, or all of these, just as do the losses in wheat, cotton, and other lines of agricultural production. The losses resulting from overproduction are enormous, but they are the price we pay for the maintenance of freedom. It would be easy to prevent overproduction in many lines of business, if public policy permitted producers to combine to limit production. However, it is at least as important to protect consumers from extortion as it is to protect producers from the results of overproduction...."

Civil Aviation in England

Civil aviation in England has been in existence eight years, and in that time British air services have flown approximately 6,000,000 miles and have carried 90,000 passengers on regular services. According to advices received by Bankers Trust Company of New York from its British information service the steady growth of Imperial Airways is shown by the fact that in 1926 16,775 passengers were carried and 679 tons of goods--an increase in passenger mileage as compared with 1925 of 41.6%, and in goods ton mileage of 7.7%. The total ton mileage increased by 28.6% and the horse-power mileage--that is, miles flown multiplied by horsepower--by 21.4%. The percentage of cross-Channel traffic by the Imperial Airways increased from 51% to 61%. As an example of the increased efficiency of the services is the fact that of 4,000 flights commenced the proportion completed was 90%.

Cotton Plants Go South

A Boston dispatch to the press of November 1 states that the Appleton Company will move 30,000 or 35,000 spindles and 900 looms to Anderson, S.C., from its Lowell cotton mill and will close the Lowell plant for the present, as a result of votes taken at a stockholders' meeting October 31.

Flood Plan of Chamber of Commerce

A concrete plan for Federal flood control of the lower Mississippi River with a view to averting disasters such as the one that occurred during the past year is embodied in a report made to the United States Chamber of Commerce by one of its special committees and will be sent out for a referendum vote of its member organizations. The report contains four proposals as follows: "1. That the Federal

Government hereafter pay the entire cost of constructing and maintaining works necessary to control floods of the lower Mississippi River (Cairo to the Gulf). 2. That the Federal Government assume also sole responsibility for locating, constructing and maintaining such works. 3. That there be adequate appropriation to insure efficient, continuous and economic work, the funds to be available as needed. 4. That flood control of the Mississippi River be dealt with in legislation and administration on its own merits, separate and distinct from any other undertaking."

Japanese Cotton Restriction The press of October 31 reports that cotton production by Japanese spinners is to be restricted to 81 per cent of capacity for a period of six months beginning November 15, under steps just taken by the Japanese Cotton Spinning Association, according to reports to the Department of Commerce from Commercial Attache Butts, at Tokyo. The report states that imports of American cotton into Japan during the cotton year ended last July, totaled 1,626,000 five hundred-pound bales, against 1,135,000 bales for the preceding year. The total cotton imports for the year were 3,551,000 bales, against 3,167,000 bales for 1925-26.

Russian Conditions Russia, after ten years of Bolshevist rule, is the subject of a symposium of fifteen articles in November Current History, to which both the leaders of the present regime and those who oppose it have contributed articles. A group of contributors to the symposium assert that progress has been made only through the abandonment of Communist principles and the adoption of the New Economic Policy (NEP), which is really "Communistic Capitalism." Walter Duranty, Moscow correspondent of The New York Times, declares: "The measure of Soviet Russia's success is in direct ratio to its divergence from the strict principles of Marxian Communism ...The NEP is putting Russia back before the world, not as a madhouse of pestilent fanatics, but as a great and growing power, young, vigorous and eager." The same view is shared by S.N.Prokopovicz, former Minister of Supply in the Kerensky Government, who believes that "Marxian Communism is absolutely alien to rural Russia with its undeveloped industry, its rudimentary town life and its scanty industrial proletariat," and that the "real cause of Russia's increasing prosperity is not any novel principle inherent in the NEP, but the abandonment of Communist ideas." A.J.Sack, former representative of the Kerensky Government in the United States, stresses the fact that the "moral isolation" of Bolshevism in the world has been recognized as working against the best interests of Russia and that Russia's need for a generous inflow of foreign capital is operating to alter Bolshevist policies. Another powerful factor of change, the opposition that has grown up within the Communist Party, and which resulted recently in the expulsion of Trotsky and Vuyovich, is discussed by V.I.Talin, a former leader of the Social-Democratic Party, who sees it as a natural and inevitable development.

Scottish Farmers An article in The Scottish Farmer for October 8 says: "Nobody cares a straw for the farmer. Those who are in a position to help will not. The Government tells him to work harder. The public advise him to spend less. Wellwishers tell him to have patience and everything will come all right sooner or later. But this is all talk

and nothing else. The time has come, however, when more than words are necessary. Whether the farmer has been wise or foolish makes no difference. The point is--agriculture needs assistance. No one cares a snuff about individual farmers who fail, but the Nation must and does care a good deal whether agriculture as an industry fails. The Nation and the Government will not believe the farmer when he says he is down and out. The fact is--the Government does not understand, and the public does not care. They do not know the facts and conditions, and they have no desire to learn the truth. We suggest, therefore, that the only way to make such people learn the truth is for farmers to go bankrupt en bloc. If this is the only way, they should take it. It is an extreme step, but it takes a drastic step to meet a drastic situation. Someone must move, because if we do nothing the powers that be will follow suit, and if we do something drastic so will they."

Soviet and Nitrates

A London dispatch to the press of October 27 states that substantial purchases of Chilean nitrates have been made by Russia in the last few months, according to The London Times, which gives considerable prominence to the statement. The nitrate is described by merchants as of the high grade, refined quality which is used exclusively for the production of explosives. The purchases were made in Chile, the financing having been arranged through Berlin. It is understood that the amount secured exceeds 50,000 tons, while negotiations are in progress for more. Russian purchases of nitrates last year amounted to only 2,000 tons.

Sugar in South Dakota

South Dakota Farmer and Breeder for October 15 says: "We are making it in South Dakota. We have undertaken what we confidently believe will become one of the State's largest industries. We can produce the raw material and have done it for several years. We can manufacture it at a good profit in competition with the imported product. We are importing much more than one-half of all the sugar we consume. Under such conditions why should not the industry flourish here? It will give us one more dependable agricultural product to aid in successful diversification. It will make us independent to some degree of outside influences. We may safely encourage sugar making in the Sunshine State."

Tenantry

An editorial in Farm and Ranch for October 15 says: "The agricultural department of the Southern Pacific lines is receiving some very interesting letters from farmers on the subject of 'Living at Home.' H.M.Madison, agricultural agent, has taken these letters and from them quotes some pointed paragraphs, among which we find the following: 'The road to tenantry is paved with buying corn; buying bacon; buying lard; buying molasses; buying potatoes; buying pork; buying beans; buying oats; buying hay; buying horse, chicken, cow and hog feed. Besides all these, buying almost everything else used on the farm. These buyings lead straight to involuntary sales; involuntary sales of mortgaged crops; involuntary sales of cotton; involuntary sales of farm tools; and, at last, to involuntary sales of land. When the last involuntary sale has been made, the farmer loads his personal effects into the wagon; his wife and children climb in, and they drive down the lane to the gate that opens on--tenantry. That man was right. The road to tenantry is paved with bought supplies.' From these remarks other conclusions can be drawn. If the road to tenantry is paved with bought supplies, then the road to home and farm ownership is paved

with home-grown products for the family and livestock and a little surplus to sell. One-crop farming, with the inevitable result of decreased soil fertility, keeps tenants and landlords poor. Balanced farming increases soil fertility and paves the way for farm ownership or a profitable partnership between owner and renter."

Section 3

MARKET QUOTATIONS

Farm Products November 1: Top price on hogs at Chicago is $10.20. Prices on other classes of livestock follow: Beef steers choice $16.90 to $17.75; good $13 to $17; medium $9.25 to $13.50; common $7 to $9.25; heifers, good and choice $9 to $15; common and medium $7 to $11; cows, good and choice $7.25 to $10; common and medium $5.50 to $7.25; low cutter and cutter $4.90 to $5.50; vealers, medium to choice $11.50 to $14.50; heavy calves, medium to choice $7 to $10.50; stockers and feeders, common to choice $7.25 to $11.50; fat lambs medium to choice $13.25 to $14.15; yearling wethers, medium to choice $10 to $11.75; fat ewes, common to choice $3.75 to $6.75; feeding lambs, medium to choice $13.65 to $14.65.

Maine sacked Green Mountain potatoes sold at $2-$2.25 per 100 pounds in eastern markets. Bulk New York Round Whites $1.95-$2 in New York City. Northern sacked Round Whites $1.30-$1.55 carlot sales in Chicago. New York and Midwestern sacked yellow onions brought $1.25-$1.75 per 100 pounds in consuming centers; $1.25-$1.40 f.o.b. New York Danish type cabbage ranged $10-$18 bulk per ton in city markets; mostly around $8 f.o.b. Rochester. New York Baldwin apples $1.75-$2 per bushel basket in New York City. Michigan Jonathans $7.50-$8 per barrel in Chicago.

Closing prices of 92 score butter: New York 48¢; Chicago 47¾¢; Philadelphia 49¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets October 31: Twins 25 3/8¢; Single Daisies 26¼¢; Double Daisies 26¢; Longhorns 26½¢.

Average price of Middling spot cotton in 9 designated markets advanced 11 points, closing at 20.23¢ per lb. December future contracts on the New York Cotton Exchange advanced 15 points, closing at 20.35¢. New Orleans holiday. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Nov. 1,	Oct. 31,	Nov. 1, 1926
20 Industrials	181.65	181.73	150.51
20 R.R.stocks	134.22	134.27	117.88

(Wall St. Jour., Nov. 2.)

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DAILY DIGEST

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Vol. XXVII, No. 29 Section 1 November 3, 1927.

TAX REDUCTIONS The press to-day reports that through its various trade organizations, business yesterday placed its arguments for a reduction in the tax on incomes of corporations before the House ways and means committee, a majority of the spokesmen advocating a 3½ per cent cut compared with a 1½ per cent reduction recommended by the Treasury.

LIVING STANDARD The highest standard of living ever attained in the history of the world was reached last year by the American people, the Bureau of Internal Revenue said yesterday in a report showing that the 117,000,000 persons in the United States had a total income in 1926 of nearly $90,000,000,000, an increase of approximately $27,000,000,000, more than 43 per cent in the five years since 1921. The bureau's figures revealed an increase in the Nation's income for each year since 1921, when a total of $62,000,000,000 was recorded. It increased $3,000,000,000 in 1922; $7,000,000,000 in 1925, and $3,000,000,000 in 1926, when a total of $89,682,000,000 was earned. The same increase holds true for the average per capita income of persons gainfully occupied, which in 1921 was $1,637, compared with $2,210 in 1926. "This income indicates the highest standard of living for the population of the United States ever attained in this or any other country," the bureau said. "This great increase in income is not the result of an increase in the price level," it added, "for the average price of consumed goods was actually slightly less in 1926 than in 1921."

WORLD ROAD CONGRESS President Coolidge was requested yesterday by Roy D. Chapin of Michigan, president of the National Automobile Chamber of Commerce, to seek Congressional authority to invite the International Road Congress to hold its next meeting in the United States, according to the press to-day. Mr. Chapin, who was the official delegate of the United States to attend the Permanent Sessions Commission of the Road Congress held recently in Paris, told the President he found the officials present keenly desirous of coming to the United States to study the great highway and motor transport advances made in this country in the last decade.

NEW GOVERNMENT BUILDINGS The press to-day reports that plans for two new imposing Government buildings at Washington were approved yesterday by Senator Smoot, chairman of the Public Buildings Commission, and bids will be asked immediately. Work is expected to be started by January on the structures which will house the Department of Commerce and the Internal Revenue Bureau respectively. The former will cost $17,000,000 and the latter $8,000,000. The buildings will be located on the south side of Pennsylvania Avenue between the Capitol and the Treasury and will be of limestone with granite bases.

Section 2

Cooperative Buying in Britain

A scheme is now being furthered in Great Britain whereby secondary wholesalers are eliminated, thus shortening the links between producer and consumer. According to advices just received by Bankers Trust Company of New York from its British information service, in various parts of Great Britain local food distributors have for some years operated buying groups by which means they have been able to secure their supplies at the lowest market rates. The general procedure has been for each group to pool its orders and its cash and to appoint one of its members to make mass purchases for spot cash. In this way the respective groups have been able to effect considerable savings for their members. The members in turn have been placed in a position to compete with the multiple shop companies (chain stores) and the cooperative organizations for public favor. Up to the present time the combined buying scheme has not been operated in the London area, with the exception of a few suburbs, but plans are now being made to extend the scheme throughout the metropolitan district, and eventually to form a federation of buying circles so as to cover the whole country.

Ely on Resource Control

Richard T. Ely, Research Professor of Economics in Northwestern University, writing in The American Review of Reviews for November, says: "...There never was a time when it took so small a proportion of the population and such a small percentage of our resources to get the food and raw materials that we need. Man has constantly progressed in his struggle with nature. One English author, Sir Daniel Hall, estimates that in the future only 15 per cent of the population will be needed to produce food and raw materials. As a natural consequence we have relatively low food prices and declining farm land values; likewise naturally world-wide distress of farmers....As a matter of fact we have two forces operating. One force is the growth of population and the other is progress in utilization of land. The latter force has far more than offset the first. Improvements in agricultural production are perhaps as rapid now as ever, but at the same time the rate of population growth is declining, and that very rapidly....We have also another agricultural surplus, and that is a surplus of farm boys and girls. The farm families are so large that farming can not absorb them....The real problem, then, is that of balanced production in the whole field of human endeavor. If we had a perfect balance in all lines of human activity, there would be no overproduction, not even relative overproduction, but we would have the highest attainable degree of prosperity with existing population and existing natural resources. This 100 per cent balance can never be attained, but it is a goal of perfection to which we should constantly strive....Let us take the case of the Mississippi flood to illustrate the absence of satisfactory policies for the utilization of the land of the country. We have cut down the trees on the mountain-sides, with the result that the waters rush down the slopes, carrying with them often the fertility of the soil. We have as a consequence flood water and streams that are nearly dry at times....If we are going to help the farmer we must engage in planning, with reference to the utilization of land and with reference to the flow of population from the city to the country. We must encourage self-help, but that alone is absolutely inadequate. The hundreds of thousands of sufferers in the Mississippi Valley were powerless to avert the calamity that overtook them. The movements of population need wise direction. Individuals need enlightenment and the help of educational agencies of different kinds. Man must gain still greater control over nature, and especially over his own associated

activities. We need planning and still more planning. As Prof. J. Russell Smith of Columbia University said recently--'Plan or Perish.'"

French Trade — A Paris dispatch to the press of Nov. 1 says: "Detailed figures of French imports and exports during September, published Oct. 31, reveal several interesting facts in regard to an increase of French trade with Germany and a decrease in imports from the United States. During the first month after application of the new tariffs resulting from the Franco-German commercial treaty French exports to Germany rose to a value of 594,000,000 francs, an increase of 200,000,000 francs over the business done in September, 1926. During the first nine months of the year French exports to Germany amounted to more than 4,500,000,000 francs, an increase of nearly 1,800,000,000 francs over the amount of trade during the same period last year...."

Klein on Foreign Trade — An Associated Press dispatch Nov. 2 from Chicago says: "Europe , America's best customer, and her foremost competitor! Thus Dr. Julius Klein, Director of the Bureau of Foreign and Domestic Commerce, Department of Commerce, warned American manufacturers not to overlook Europe's industrial comeback. 'Europe is recovering her normal economic health and vigor more rapidly than most Americans realize,' he declared. Speaking of the future of American foreign trade, Doctor Klein said: 'There are vast possibilities for further expansion of our markets in Australia, Latin America and Canada, as rapidly as the exports of foodstuffs and raw materials from these countries to Europe increase as a result of the improved buying power in the Old World. There is a "mental renaissance" in business Europe. A new economic world has come into being since 1918. The new commercial era in the old world is composed of many factors. Transportation facilities have notably improved during the past year. Not only has there been a widespread expansion of air traffic on the continent, but definite plans have been laid for service from European capitals to the trade centers of Africa and the Far East, and even for combination air, rail and ship facilities to South America. The time for watchful, aggressive initiative for American export is at hand. The recovery of European business gives our exporters a double incentive to put forth greater efforts in foreign trade, one incentive being keener competition and the other the improved purchasing power of our best customer.'...."

Muskrats in Maine — According to the annual report of the Maine Inland Fish and Game Department, muskrat farming is becoming a more important industry each year in the Pine Tree State. Many places, bogs and flats, are being flooded to make muskrat farms.

National Fertilizer Convention — Two major themes will be considered at the southern convention of the National Fertilizer Association, at Atlanta, on November 8 and 9. The first is "Agricultural Improvement and Increasing the Use of Fertilizer." The second is "Better Trade Practices and Better Selling." The latter subject will emphasize the Code of Trade Practices, and it is expected that the discussion of the code at this convention will bring about a better understanding of this fundamental document, and so make it more "workable." One of the speakers from outside the industry who will address the convention is Hon. Abram F. Myers, a member of the Federal Trade Commission. He will discuss particularly the work of the commission with respect to codes of trade practice. Other

speakers will be Dr. B.W.Kilgore, of the American Cotton Growers Exchange, who will discuss methods of stabilizing cotton prices, and Hon. Eugene Talmadge, whose subject will be, "The Place of Fertilizer in a Progressive Farm Program." (American Fertilizer, Oct. 29.)

Rabbits in Australia

A Sydney dispatch to the press of October 30 states that 90,000,000 rabbits have been killed in Australia this year, but agricultural ravages continue. The rabbit has been branded "the most undesirable immigrant that ever landed in Australia."

School Education Criticism

A Chattanooga, Tenn., dispatch to the press of October 28 says: "Addressing the National Association of Manufacturers October 27 at the closing session of its annual convention, Howell Cheney of Cheney Brothers, South Manchester, Conn., criticized the schools of the country as failing properly to equip children for life. On behalf of the Nation's manufacturers, he said, he invited educational departments of the States into the factories with the idea of cooperating in the drawing up of curricula that would benefit the children, the State and industry. Mr. Cheney spoke of the tremendous growth of educational investments and facilities in America, which he called 'the largest organized political effort and single purpose, next to war, that the world has ever witnessed.' As a result of a special study for the association, Mr. Cheney, a member of the governing body of Yale University, drew the conclusion that in some instances as high as 40 per cent of the children who remained in school until the age of 14 were not able to meet the minimum educational requirements and were passed on to industry by educational authorities who certified them as having completed the sixth grade...."

Section 3

Department of Agriculture

1 In an editorial on the retirement of Dr. L.O.Howard as Chief of the Bureau of Entomology, The Michigan Farmer for October 29 says: "...Two campaigns in which Doctor Howard took a leading part have probably brought benefits to the Nation that will never be fully appreciated. One of these was his crusade against mosquitoes, certain species of which were found to be disease carriers, and the other an anti-housefly crusade started by Doctor Howard in 1896. It is in the services of such men as Doctor Howard that life is made more worth while and that civilization itself is able to advance. His devotion to duty should be an inspiration to a generation of younger men anxious to render service to humanity."

2 An editorial in Farm and Fireside for November says: "The imperative necessity of finding new uses for farm products is slowly being recognized. For our experiment stations and Department of Agriculture to continue to concentrate their scientific energies upon increasing yields in the face of our present enormous total production is more than absurd....The glycerin industry some time ago found itself producing more glycerin than the usual markets would absorb. Did it hunt ways to manufacture more glycerin as agriculture in the same fix is doing? What the industry did do was to set to work to find new uses for the output. Out of their laboratories came the news that glycerin was admirably adapted for use to prevent freezing in automobile radiators. The fact was advertised to the public and demand soon sent glycerin up from the unprofitable price of 20 cents a gallon to 30 cents, with dividends again for stockholders in the industry.

Agriculture has, in the Department of Agriculture and in the experimen stations, the largest staff of research men of any business in the country. They are doing splendid work of its kind. But too much of their activity is of the wrong kind to meet the greatest present need of the industry, which is not for heavier production so much as for a heavier demand. Farming is producing too heavily now to depend upon the human appetite to eat up all our crops. We must find industrial uses for farm products and have factories to feed as well as families. The agricultural experiment stations can help meet this situation by putting more chemists and chemical engineers at work. These men should know how to work closely with the factories so that their discoveries may become of cash value by going into commercial use as quickly as practicable. The research man in the industrial laboratory is expected to deliver results that can be cashed. Government scientists, having no such pressure on them, often incline to science for its own sake. Just now agriculture wants cash results. A concentration of research funds upon finding new industrial uses for farm products can produce cash results for farmers faster than any other type of experimentation."

Section 4
MARKET QUOTATIONS

Farm Products Nov. 2: The Chicago hog top at $10.40. Better grades of beef steers with the top at $17.75.

New York sacked Round White potatoes $2 per 100 pounds in New York City; Long Island Green Mountains $2.30-$2.45. Wisconsin Round Whites $1.45-$1.65 carlot sales in Chicago; $1.35-$1.40 f.o.b. Waupaca. New York Danish type cabbage $10-$15 bulk per ton in a few city markets; mostly $8 f.o.b. Rochester. New York and midwestern sacked yellow onions $1.25-$1.75 sacked per 100 pounds in consuming centers; $1.25-$1.40 f.o.b. Virginia York Imperial apples $5.50-$6 per barrel in New York City; Michigan Jonathans $7.50-$8 in Chicago.

Closing prices of 92 score butter: New York 48¢; Chicago 47½¢; Philadelphia 49¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets Nov.1: Single Daisies 26¼¢; Square Prints 27¼¢.

The grain market was generally dull. Corn made further slight declines but prices of other grains held practically unchanged. December corn closed at Chicago at 82 7/8¢; December oats at 28 1/8¢; and December rye at 99¼¢.

Average price of Middling spot cotton in 10 designated markets advanced 54 points, closing at 20.77¢ per lb. December future contracts on the New York Cotton Exchange advanced 52 points, closing at 20.87¢ and on the New Orleans Cotton Exchange they closed at 21.09¢ compared with 20.38¢ on October 31. November 1 Holiday (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Nov. 2,	Nov. 1,	Nov. 2, 1926
20 Industrials	184.61	181.65	150.51
20 R.R.stocks	135.24	134.22	117.88

(Wall St. Jour., Nov. 3.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 30 Section 1 November 4, 1927.

SMOOT ON TAXES AND TARIFF A Philadelphia dispatch to the press to-day reports that an outside limit of $300,000,000 tax reduction was set last night by Senator Smoot, chairman of the Senate finance committee, in cautioning against any considerable tampering with the limit of $225,000,000 urged by Secretary Mellon. The report says: "Addressing a meeting of Philadelphia business men, the Utah Senator also gave notice that the administration would sanction no revision of the tariff laws at this time nor would it give any consideration for cancellation of the World War debts nor to their revision, even of the pending French debt settlement...."

WOMEN ON TAXES The press to-day states that women made a plea yesterday for an increase in the exemption allowed single persons under the income tax law before the House ways and means committee. A delegation representing the National Federation of Business and Professional Women's Clubs was heard. The committee, holding hearings on the proposed tax reduction bill, was told that the Treasury is collecting a little more than $5,572,000 a year from a group of 2,012,000 single persons, but that the yield was without profit, inasmuch as the cost of administration approximated $2.50 for each $2.23 turned in to the Government.

THE FRENCH TARIFF A Paris dispatch to-day says: "Close examination of the latest French tariff communication forwarded to the State Department discloses the fact that France still insists that a permanent commercial treaty between the two countries shall be negotiated upon the basis of reciprocity. The greatest emphasis is placed in official quarters on the last paragraph of the note, which states in the clearest terms that France can not sign any treaty of commerce with the United States until the final results of the United States Tariff Commission inquiry are made known. The inquiry, it will be recalled, is to be conducted for the purpose of ascertaining whether certain duties, notably on French silks, textiles and perfumes, can be reduced under the elastic clauses of the Fordney Tariff Act...."

THE RADIO CONVENTION The press to-day reports: "Exactly one month after its inauguration, the international radio conference had yesterday nine articles of the convention, six general radio regulations and two appendices to the latter, as the sum total of provisions approved for its new international wireless compact. The convention is expected finally to contain about 25 articles, the regulations probably amounting to about 40 articles with seventeen appendices. All the articles so far approved by the conference in plenary session are general in character and do not contain controversial provisions...."

Section 2

British Industries Federation

The Federation of British Industries is the largest body of manufacturers in the world, and in recognition of its works was granted a Royal Charter of Incorporation in 1924. According to advices just received by Bankers Trust Company of New York from its British information service, during 11 of its 13 years of existence the federation has obtained the support of practically every British industry, having enrolled at present no fewer than 2,000 direct members and some 300 trade associations. Through affiliated associations it is in touch with at least 35,000 British manufacturers. The membership is limited to manufacturers, producers or those engaged in an industry serving the needs of manufacturers or producers. The federation came into existence to fill a very definite want. It has succeeded in reaching its present position not only because it represents a cooperative effort that is in harmony with the trend of modern development, but because it has always sought to perform services of direct benefit to its members individually. The different industries are divided into main groups, 23 in number, and these in turn are subdivided. These groups and sub-groups are the basis of the federation's extremely democratic constitution. To facilitate the activities of the organization, which include only commercial and technical matters, a number of departments were formed, each in charge of a special staff. Among the departments are those dealing with taxation, production, transport, insurance, industrial art and films.

Business Conditions

October brought to light nothing calculated to disturb confidence in the business outlook, says the current issue of the review of economic conditions of the National City Bank of New York. "Industry, to be sure, is quieter than at this time a year ago," the review says, "and prospects are that the current quarter may not be quite as satisfactory as the final quarter of 1926. We see no likelihood, however, of a decline of sufficient magnitude to seriously threaten the good record thus far established for 1927. With improvement in the agricultural sections and no marked unemployment in the cities, holiday retail trade should be in larger volume than ever before. Measured by the usual tests, little basis for pessimism appears. There is no inflation of prices. Inventories are generally at low levels. Industrial efficiency is increasing, lowering costs of production and thus maintaining the purchasing power of the mass of the people to step in with the increase in the volume of output. The transportation system is functioning smoothly. Labor supplies are ample, and the relations between capital and labor never were more amicable. Disparity between agricultural and nonagricultural prices is being corrected and farm prosperity is returning. Finally, money continues easy and favorable to the employment of funds for expansive purposes...."

Chestnut Blight

The Rural New-Yorker for November 5 says: "We continue to get letters asking how to combat the deadly chestnut blight, from sections of the country where it is just appearing. There is no known remedy. Like a fire it has swept vast sections of the East. But in some localities many old chestnut stumps have sent up strong sprouts which have either become immune or because after 10 or 15 years there are no blight germs remaining to continue the disease. Some of these sprouts in New Jersey and perhaps other States are now bearing nuts. It may not be too much to hope that this is a promise to the next generation of new chestnut plantations in the devastated area."

Cooperation An editorial in Farm and Ranch for October 29 says: "....Because cooperation is an economic necessity, forward business and professional men, and the laboring men throughout the world, forget that they are competitors and join hands in an effort to better the conditions of all in their line; all except the farmers. Farmers, many of them, are just entering the primary grades in the school of cooperation. Thousands are yet to be convinced that they can not make a success by their own individual efforts. Such men have no confidence in their neighbors or in any any other person living either in city or country. They call specialists book farmers and sneer at farm publications. They are members of that class of men who swear that no one can tell them anything about farming because they have worn out a half a dozen farms during the past thirty years."

Corn Borer An editorial in The Iowa Homestead for October 27 says: "Word comes from Indiana to the effect that six counties were infested with the European corn borer in the northeastern part of that State last year, while this year 16 are so infested--rather startling evidence of the rapidity of the spread of this insect in spite of precautions taken against its spread last spring. While the borer has not yet appeared in Iowa, it is well for farmers in this State to be posted on what it is doing in infested territory....Ohio farmers are also much wrought up over the corn borer because it has entered the State and has done considerable damage in Ottawa County, one of the northern counties of that State adjoining Lake Erie. Over 2,100 farmers from 28 counties in Ohio recently made a trip to Ottawa County to see what the borer had been doing in some of the infested fields....We do not desire to create a feeling of insecurity among our readers with reference to the corn borer situation, but we do wish to keep them informed concerning the experiences farmers in infested territory are having so that they may better understand what to do when the insect does reach this State, which we trust may not happen for at least 10 years. On the other hand, no one knows how soon it may appear in Iowa and we should not be too confident that we may escape its ravages for that length of time."

Cotton Conference A southwide cotton conference to be participated in by cotton growers and others associated in the cotton industry has been called by the American Cotton Association, J.S. Wannamaker, president. It is to be held at New Orleans January 11-12, 1928. Subjects for discussion include: First, creation of permanent financial machinery for retiring and holding any large surplus of cotton under ownership of the growers until required for consumption; second, efficient control of cotton acreage; third, farm relief by southern cooperative effort instead of through legislative enactment. (Manufacturers Record, Nov.3)

Sugar Charles J. Welch, writing in Commerce and Finance for November 2, says: "A correct long distance forecast of the sugar market seems to be something utterly beyond the ability of the sugar trade. The immediate future obsesses it. On December 29, 1921, with sugar selling at $1\frac{3}{4}$¢, who dreamt that fourteen months later the price would be $5\frac{1}{2}$¢? Or that sixteen months later, on April 25, 1923, sugar would be selling for $6\frac{3}{4}$¢ a pound, an advance of 5¢? Certainly those who so lavishly poured money into Cuba in 1923 and 1924 had not the remotest idea that sugar selling for $6\frac{3}{4}$¢ on the twenty-fifth of April, 1923, would sell on the twenty-seventh of October, 1925, at 1 15/16¢. That Cuba is seriously contemplating limiting the 1928 crop to 4,000,000 tons, of

which no more than 3,500,000 will be allowed to come to the United States, is a fact that is generally known. If the market continues as unsettled as it is at present, it would not surprise us to see Cuba carry out some such drastic plan as this. What effect this might have on the market no one knows, but as the various measures adopted by Cuba already have not been as successful as anticipated, the sugar trade would probably regard a decree of this sort apathetically...."

Trade Theories An Associated Press dispatch October 29 says: "A conflict between European and American trade theories is seen by William J. Donovan, Assistant to the Attorney General, who spoke at Atlantic City, October 28, before the annual convention of the National Paint, Oil and Varnish Association. 'The continental theory is that industrial combination is economically desirable,' he said. 'It assumes the existence of monopoly, under close governmental supervision and direction, with the power to limit production, and allot territory and customers. Our theory is diametrically opposite. It is based upon the idea of equal opportunity, maintenance of individual initiative, freedom from governmental regulation, and no power to control prices or to allot territory.' Mr. Donovan cited recent published reports which he said indicated the tendency of foreign combinations to pass from the looser forms of trade agreement to combinations known as 'trusts,' which were condemned and legislated against in the United States 30 years ago. He also reviewed the attitude of 'those who view our antitrust laws as too restrictive upon industry, as an unjust limitation upon the functioning of commerce, and as a shackle upon business development.' ..."

Tuberculin Tested Milk An editorial in Pennsylvania Stockman and Farmer for October 22 says: "Here is an example which shows what a certain organization is doing for its members. The market which takes the milk produced in that region requires that the herds producing said milk must be free from bovine tuberculosis as shown by the tuberculin test. It also pays a premium of 10¢ per 100 lbs. for milk which comes from such herds. Moreover it offers a further premium of 40¢ per 100 pounds for Grade A milk, and of course only tested herds are eligible to secure that premium. What should the dairymen of that region do under such circumstances? The great majority of them have answered that question. They have decided to hold their excellent market by complying with its requirements. The others have decided, with the aid of a certain 'protective' association, to refuse to comply with the market's requirements, so they must sell on another market which pays nearly a dollar per 100 pounds less than their natural market pays. How long is it going to take, at such a discount, for these 'protected' farmers to lose the price of all the reactors which might have been found in their herds? About one cow in twelve reacted when the herds of the rest of that county were tested and retested."

Wool Marketing An editorial in The National Wool Grower for October says: "Improving western methods of selling wool is not so much a matter of progressivism as it is one of holding our own. Business customs have changed altogether since the time when it could be said that it was good business for individual wool growers to sell their clips at the ranch or on the street to the speculative trade. In failing more generally to change his wool selling methods, while other lines have

altered, the grower has taken a lower position than he formerly occupied as a business man. It is true that new customs of merchandising goods and of wool itself have come into the markets and that the dealer's selling methods have had to be changed and perhaps become more difficult. The old-fashioned custom of the growers, however, has largely continued to cause them to compete among themselves and put western wool prices so far below real values that speculation still is profitable....In appointing a committee to work out a better and permanent plan of wool selling the executive committee of the National Wool Growers Association recognized that it is the duty and opportunity of their organization now to urge upon growers the taking of steps toward a better and more modern order of things in wool selling. The proposals of the committee will be offered in advance of the January convention. Associations and individuals are urged to study the situation and offer constructive suggestions before the convention to the members of the committee whose names were printed last month."

Section 3
MARKET QUOTATIONS

Farm Products / Nov. 3: Top price on hogs at Chicago is $10.50;

Maine sacked Green Mountain potatoes $2-$2.25 per 100 pounds in eastern cities; $1.55-$1.65 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.50-$1.70 carlot sales in Chicago; $1.37-$1.40 f.o.b. Waupaca. New York and midwestern yellow onions fairly steady at $1.25-$1.75 per 100 pounds in consuming centers; $1.35-$1.40 f.o.b. New York Danish type cabbage slightly weaker at $10-$16 bulk per ton in terminal markets; $7-$8 f.o.b. Rochester. Eastern York apples $5.50-$6 per barrel in eastern cities. New York Baldwins $6 in New York City. Michigan Jonathans $7.50-$8 in Chicago.

Closing prices on 92 score butter: New York 48¢; Chicago 46½¢; Philadelphia 48½¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets Nov. 2; Twins 26¢; Single Daisies 26¼¢; Longhorns 26½¢; Square Prints 27¢.

The grain market ruled steady again. December corn advanced slightly closing at Chicago at 83¼¢. December oats 48½¢ and rye at 99¢.

Average price of Middling spot cotton in 10 designated markets declined 13 points, closing at 20.64¢ per lb. December future contracts on the New York Cotton Exchange declined 14 points, closing at 20.73¢, and on the New Orleans Cotton Exchange they were down 17 points, closing at 20.92¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVII, No. 31 Section 1 November 5, 1927

TAX LEGISLATION The press to-day reports that while witnesses before the House ways and means committee yesterday were suggesting an overhauling of the Nation's revenue laws, President Coolidge let it be known that the $225,000,000 reduction maximum set by the Treasury must be adhered to in drafting the new law.

According to the press, the task of framing the tax-reduction bill will be begun on Nov. 14, Chairman Green of the committee on ways and means announced yesterday. Republican leaders plan to put the bill through the House before the holidays in order that action by the Senate on it early in 1928 may be assured. The report says: "Yesterday's witnesses before the committee dealt largely with technical provisions of existing law....The plight of Iowa, with farm values far below normal, was discussed by C.O.Dayton, a public accountant of Washington, Iowa....Lifting of the bar of the statute of limitations so as to relieve owners of agricultural properties who had sold farms and returned profits taxes to the Government, only to find themselves caught in the slump which caused trouble in Iowa, was advocated by Mr. Dayton. The plight in which the people of his State found themselves following the deflation period in 1921 was detailed to the committee by this witness. The values of farm lands were made in the majority of cases between neighbors, he said, and not by people engaged in the profession of buying and selling real estate, and the sales were, in almost every case, made with a small cash payment and a purchase mortgage for the balance. In assessing these sales at that time, the Treasury Department, he explained, treated them as though the whole amount had been received in cash....There are 1,000 cases now in Iowa, totaling $1,000,000, for overpaid taxes which would be presented to the Government under Mr. Dayton's proposal...."

WHEAT FREIGHT TRAIN NAMED The New York Times to-day states that in order to place credit where it is due, the Pennsylvania Railroad has decided to rename the freight train, which carries wheat and flour daily from Buffalo to New York. Heretofore this train has been known in railroad parlance as BNY-14, but from to-day on it will bear the more significant and illustrative title of "The Cornucopia."

FLOOD AND EARTHQUAKE An editorial in The New York Times to-day says: "On the same day, twenty-five hundred miles apart in continental North America, the elements suddenly ravaged two peaceful surfaces of the earth. The earthquake shocks from Los Angeles northward along the Pacific Coast, which twisted railroad rails and made cities quiver, were not unusual; but the floods in western New England and central New York were extraordinary. Quakes give no warning; approaching high waters ordinarily do; and yet the torrent which poured upon Connecticut, Rhode Island, Vermont, Massachusetts and New York came as suddenly as the tremors on the western coast. A few days of heavy, steady rains, and then the White, the Connecticut and other rivers left their banks, crushed dams into flinders, overflowed farms, destroyed life and property, and inundated a rich region, on which another vagary of nature--a quick drop of the thermometer--is now descending....."

Section 2

Bankers and Farm Relief

Promotion and support of cooperative marketing agencies, agricultural colleges, experimental stations and farm information bureaus are the elements of permanent farm relief, according to a symposium of the opinions of 700 Illinois bankers compiled by W.M.Givler, chairman of the State bankers' agricultural committee. The 700 replies to a questionnaire submitted to 1,700 bankers indicates, Mr. Givler said, that only 22 per cent of the bankers' farmer customers are making money from their loans, while 43 per cent are breaking even and 35 per cent are losing money. Fifty-three per cent of Illinois farms are operated by tenants, the survey showed, and fewer than four out of ten children born on farms are remaining on the farms to advance the cause of agriculture. The bankers were inclined to criticize the farmers for owning high priced automobiles, trucks and tractors, bought on deferred payment plans. (Chic. Jour. of Commerce, Nov.3.)

Cooperatives and Business Methods

An editorial in The Farmer's Guide for November 5 says: "The failure of many cooperatives may be traced directly to the idea, prevalent in some circles, that there is some magic in cooperation itself that will insure success without the employment of bang-up business methods. Nothing could be further from the truth. Here is a case in point: A farmer member of the purchasing department of a county farm bureau asked the manager for credit on a fertilizer purchase. The manager investigated the financial standing of the member, and finding him a poor risk, he properly refused to grant him the credit he asked. The member became angry, and appealed to one of the directors of the farm bureau to take the matter up with the manager. The conversation between the director and the manager of the purchasing department was highly illuminating. 'If this is a cooperative, why aren't all members treated alike?', asked the director. 'Simply because,' answered the manager, 'all members are not equally good risks.' The director protested strongly, but the man was not granted credit. There is a lesson here for all cooperative managers and members. Just because an organization is cooperative does not imply that it can carry on a business successfully with a total disregard to fundamental principles. Business is still business, whether carried on by an old-line company or by a cooperative."

Dairying in South

An editorial in Southern Agriculturist for November 1 says: "Never, probably, has any movement taken such possession of the agricultural mind of the South as has dairying in the last year and more. The establishment of large milk plants has opened up new markets for milk and its products. Delivery of milk has been made easier and price has been boosted somewhat. This has come at a time when there is a shortage of dairy cattle in the United States which condition has made this a most favorable time for the advent of this great dairy movement in Dixie. The South is wonderfully adapted to dairying and this is no transient movement. The milk plants have come South to stay and grow. The United States and the world require a great amount of milk products and from now on the South is going to contribute a large share of these. It is going to profit in the business, and southern soils will be built up in fertility by the keeping of cows....A mistake that is likely to be made, and that is being made in some sections already, is that interest in dairying will, and in some cases is, overshadowing other lines of

agricultural activity that should be expanded rather than contracted. Probably not a county in the South should decrease the sheep population a single head to make place for more milk cows. The number of cows should be increased but not at the expense of the flocks of sheep. The parts of the South that know how to handle sheep should rather increase their numbers. The beef cattle industry has a big place in the South, and it is a serious mistake to reduce the number or the quality of these animals. Some farmers should not keep this class of cattle, but others should have more than they do. The South can produce more beef at a good profit year in and year out. The hog is a valuable adjunct to the dairy farm, as he is to other farms, too. What the South needs is a balanced agriculture with a vastly more important place for dairying and that should be the aim of all."

Fertilizers in Indiana "Indiana farmers bought and used last year, 228,280 tons of commercial fertilizer. Of this amount, 146,177 tons were high-grade mixed goods and 16,892 tons of medium or low-grade fertilizers, as compared with 127,928 tons of high grade and 17,989 tons of medium or low grade in 1925. The tendency for the past six years has been toward the use of high-grade mixtures. There has been a decided drop in the amount of raw materials purchased, offset by an increase in high-grade fertilizers. The most popular formula in Indiana is the 2-12-6, of which 20,344 tons were sold last year. Tests made by the State experiment stations have produced an abundance of evidence as to the value of commercial fertilizers. It is doubtful whether any other State has been more diligent than Indiana in studying ways and means of maintaining and improving soil fertility. As a consequence our farmers have information backed by actual field tests to guide them in their selection of commercial plant foods for various soil types and particular crops. Further, the law of the State assists them in buying fertilizers intelligently...."(Farmer's Guide, Nov. 5.)

Freight Rates on Farm Machines An editorial in The Wall Street Journal for November 2 says: "Again the Farm Implement News of Chicago rushes to the defense of the farmers from the danger of an increase in western freight rates on farm implements. That journal 'finds it difficult to discuss the attitude of the railroads in temperate language,' but restrains its indignation to this extent: 'In view of agriculture's need of additional improvement in conditions affecting the spread between cost and price, one surely is warranted in hoping, at least, that no rate-controlling body will permit the carriers, most of which are basking in the sunlight of prosperity, to stay the farmer's progress toward that same objective by increasing the cost of his indispensable machines.' If the railroads of the West are so shortsighted as to attempt to injure the farmer, even their stockholders must share this pious hope that the Commerce Commission will stay them from mischief. The commission has of late undertaken to observe the spirit of the Hoch-Smith resolution by more or less adjusting rates in accord with the comparative prosperity of the industry affected. As yet such adjustments have been only downward, though it should be possible to hope that it realizes the necessity of acting also in the other direction if the net revenues of the carriers are not to be steadily whittled away. While farmers must pay transportation charges on farm implements, it is not quite inevitable that an increase in rates thereon, should the commission find existing rates to be out of line with the general rate level, must make a net addition

to the farmer's operating cost. Some part of a rate increase might be absorbed by the manufacturers as the result of competition. Some of the western carriers, but not most of them, are 'basking in the sunlight of prosperity.' Some, though probably not all, of the makers of farm machinery enjoy the same genial warmth. Is it not just possible that they may see it to be their own ultimate good to make such slight revisions in the selling prices of their wares as would offset any freight rate advance the commission is likely to allow?..."

National Income In an editorial on the report of the Internal Revenue Bureau on national income and living standards, (quoted in part in Daily Digest for Nov. 3) The New York Times of Nov. 4 says: "....Last year's national income, distributed among the population gainfully employed, would show per capita earnings of $2,210. This supplies a fair approximation to the correct picture of family income and welfare in the United States. In discussions of family budgets as related to wages there was a tendency, and it has not entirely disappeared, to make the family income synonymous with the income of the head of the family. The 'minimum' budget for a family under the American standard of living was regularly contrasted with the earnings of the husband and father in the coal mines of Pennsylvania or in a white-collar job in New York. The error consists in overlooking the simple fact that the American family comprises more than one person gainfully employed. In 1920, reckoning at 4.5 members to a household, there were about 25,000,000 families in the United States. In the same year the number of persons gainfully employed was 42,000,000. In other words, every family would have one and three-fifths income earners. Assuming that something like the same condition prevailed in 1926 when the average earnings per person gainfully employed was $2,210, it would suggest a family income of more than $3,500. This touches, if not actually attains, the ideal family budget based on the American standard of living. It is obviously a standard that may be described as the highest in history. It is impressively higher than anything Europe can show, but one simple consideration must be kept in mind when we say that in 1924 our national income was more than three times the income of the British people. It was: but our national income had to be distributed among two and a half times as many people as in Great Britain. This still leaves us with a handsome margin of wonderful well-being."

Tuberculosis Eradication An editorial in Pennsylvania Farmer for October 22 says: "Those who have followed closely our editorial expressions on the subject of testing cattle for tuberculosis know that we have, from the first, approved it as being the best known method of eliminating diseased cattle from herds. No one claims that it is 100 per cent efficient, but no better method is known, and until there is a more certain test provided the present test should be used in the endeavor to eliminate diseased cattle from the meat and milk producing animals. ...But whether or not the test is fully efficient, and whether or not there is serious danger of transmitting tuberculosis to human beings, the consuming public is more and more demanding that its milk be from healthy, tested cattle and is eliminating, by legislation and by refusal to buy, the milk from untested herds...."

World Population and Food An editorial in Modern Miller for October 29 says: "The recent conference on the subject of population and food of the principal countries of the world was of more than passing interest to millers,

as they are vitally interested in supplying the most important food product of a large percentage of the people in the civilized world. Although the impression prevails that production of wheat at times exceeds requirements, there are no indications of overproduction, even with a steadily declining birth rate in some European countries, where more flour is consumed per capita than anywhere else. England depends entirely upon outside sources for food, although expressing alarm at falling off in the birth rate. France and Germany, although more self-sustaining, must get some food from other countries, but the birth rate also has declined since the war. Italy is worrying about excess population and what shall be done about it, and does not produce as much food as it consumes. Only Russia in Europe and the nations of the American continents and Australia, as well as the South African Republic, are free of pressure of overpopulation and shortage of food or ability to produce it. Japan complains of pressure of growing population for which she is unable to find areas to which they can go or places where food can be produced to sustain the people. China and India have large excess population, but have endured that condition for many years and adjusted themselves to it through a low standard of living. The solution of the food problem, as far as the future is concerned, seems to be largely a matter of transportation, as there still are large productive areas in widely separated countries that can be put under cultivation, which could produce enough food to supply the shortage in more densely populated countries...."

Section 3

MARKET QUOTATIONS

Farm Products Nov. 4: Top price on hogs at Chicago is $10.40.

Maine sacked Green Mountain potatoes $2.15-$2.25 per 100 pounds in a few cities; $1.55-$1.65 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.50-$1.70 carlot sales in Chicago; mostly $1.40 f.o.b. Waupaca. New York Danish type cabbage in terminal markets $6-$12 bulk per ton $7-$8 f.o.b. Rochester. New York and midwestern yellow onions $1.25-$1.65 sacked per 100 pounds in consuming centers; $1.25-$1.40 f.o.b. New York Baldwin apples $1.75-$2.25 per bushel basket in New York City; $1.80-$1.85 f.o.b. Rochester. Michigan Jonathans $7.50-$8 per barrel in Chicago.

Closing prices on 92 score butter: New York 48¢; Chicago 46½¢; Philadelphia 49¢; Boston 47½¢.

Closing prices at Wisconsin primary cheese markets Nov. 3: Single Daisies 26¼¢; Longhorns 26½¢.

Average price of Middling spot cotton in 10 designated markets advanced 6 points, closing at 20.70¢ per lb. December future contracts on the New York Cotton Exchange advanced 7 points, closing at 20.80¢, and on the New Orleans Cotton Exchange they were unchanged at 20.92¢.

December corn At Chicago 82¾¢, oats at the market 48¼¢ and rye 98 5/8¢.(Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVII, No. 32 Section 1 November 7, 1927.

NEW ENGLAND FLOOD CONDITIONS

A Boston dispatch to-day says: "Without stopping to estimat property losses, survivors of flood-swept northern New England cities and towns were occupied yesterday with caring for the living. The death list stood at about 125, with additions likely as the losses are more definitely compiled. Property damage at the moment defies estimates. It is known that the final accounting will reach a total of many millions of dollars. The flood has spent itself in the sections first striken by the mad waters, but a score of towns left partially destroyed face a prospect of being cut off from rail communication with the rest of the country for many days...."

The Associated Press to-day reports from Washington: "With flood waters still devastating New England districts, the machinery of Congress will be set in motion to-day in an effort to provide a Nation-wide policy for flood control. Actual work will get under way at the Capitol with a meeting of the House flood control committee, at which the chairman, Representative Reid of Illinois, will outline briefly the work to be done...."

PICKARD ON FARM RADIO

An article in The Washington Post yesterday on Sam Pickard as Federal Radio Commissioner says: "Because of his vast experienc along agricultural lines, naturally the farm field will have considerable attention from the new commissioner. Mr. Pickard's interest lies with those rural listeners who are now depending to a large extent upon the radio not only for entertainment but in their business....It is in the more isolated sections that Pickard plans to delve into interference problems in an endeavor to make their radio service of the greatest value. 'I do not want to make a lot of promises,' Mr. Pickard continued, 'but I do feel we are just getting around to the place where we owe it to this great crowd to make radio mean as much as possible to them. After all, the agricultural listaners represent about one-fourth of all the listeners, about 50 per cent of the enthusiasm, and in fact are the most loyal and responsive audience the radio has. They are not out to the movies as a rule but at home lending an ear to the old radio. You can always count on those folks to be there listening. That is a fact that many program directors are prone to forget. They are a long way off but nevertheless they are human beings and real folks.'"

FOOD WASTE

A Chicago dispatch to-day says: "Housewives of the United States waste $700,000,000 in foodstuffs annually, it was shown in a survey completed by A.J.Authenrieth of the Middle West Utilities Company, which was made public yesterday. Mr. Authenrieth is vice president in charge of the ice engineering for the company. His figures showed that each family wasted about 10 cents worth of food daily by spoilage, or an equivalent of $35 annually. This waste was not due to carelessness, but rather to a want of proper refrigerating facilities, he said. 'Only 55 per cent of the 28,750,000 American homes have refrigerators, and but 20 per cent of them use ice the year around,' Mr. Authenrieth found...."

Section 2

European Chemical Trust

That the protective tariff policy supplemented by the Sherman Anti-Trust law would safeguard the American chemical industry against the looming trade war of European countries, under the leadership of Germany through the international cartel, was declared by Dr. Charles H. Herty, adviser of the Chemical Foundation, in an address before the Salesmen's Association of the American Chemical Industry of the Machinery Club at New York Nov. 4. (Press, Nov. 5.)

Flood Devastation

In an editorial on the floods in New England and central New York, The New York Times for November 5 says: "...Compared with the gigantic deluge which flowed slowly down the great southern rivers last spring and turned whole States into lagoons, the eastern flood is small and presents no particular problem for engineers and Congressmen to debate. It seems to have been a freak of nature, especially so in that it arrived at an unusual season. The southern floods come in the spring and the middle of winter, the spring overflow being particularly destructive because it arrests planting and limits the crop by which the population lives. But though the East had harvested, and the life and property damage there is small in comparison, and though it will probably not be long before the rivers slip back into their beds, New England Congressmen will go to Washington for the session with a better appreciation of what their southern fellow-citizens go through twice a year."

Government in Business

Theodore M. Knappen, writing in The Magazine of Wall Street for November 5, says: "The outstanding characteristic of the present period of prosperity is that it has been rationally produced and maintained to a far greater degree than in any former period of industrial well-being. Mind has been put into business to a greater degree than ever before. Business is conducted more by thought and less by habit and instinct than it was a decade ago. Even more significant is the trend of political government toward economic leadership in the direction of inculcating the application of mind in private business. An administration whose initial slogan was: 'Keep Government out of business!' has in one sense put Government farther into business than was dreamed of in 1921. This informal coalition of political government and business government has been an important, if not the most important, factor in our prosperity. The Coolidge administration has recognized that economics is the chief concern of the people of the United States and should, therefore, be the chief concern of the Federal Government. ...The present administration, from the President himself to the chiefs of administrative divisions of the departments, not forgetting Congress, has consulted the best minds of business at every conjuncture. Government has steadily learned from business how it can help business, and business has learned much in economics as well as morals from its association with Government...."

Land Bank Outlook

A New York dispatch November 4 says: "The joint stock land banks may be said to have turned the corner, and the outlook for the future of these institutions is good, according to John F. Barry, investment banker, who attended a conference in Washington between the presidents of the joint stock land banks and the members of the Federal Farm Loan Board. 'The whole atmosphere of the conference was encouraging,' Mr. Barry stated, 'and close cooperation between the joint stock land

banks and the farm loan bureau may confidently be looked for in the future.' The consensus at the conference was that a marked improvemen has been made since Eugene Meyer became farm loan commissioner and the examinations of the banks are now much more rigid and follow the general lines of national bank examinations as made by the Comptroller of the Currency."

Muskrats in Louisiana

A total of 64,000 acres of marsh lands in Louisiana has been purchased by the Mt. Forest Fur Farms of Detroit, Mich., for raising muskrats. It is understood that the company will manufacture pelts into fur garments in this State, and that it may purchase 1,000,000 acres additional. Canals are being dug through a part of the holdings and dykes thrown up against tidal overflow. These are also expected to conserve moisture in dry spells and to assure a supply of grass on which muskrats feed. (Manufacturers Record, Nov. 3.)

National Income

An editorial in The Wall Street Journal for November 5 says: "A real public service is rendered by the Journal of Commerce in an editorial protest against the national income figures officially put out at Washington. Being a great and free country we may call our income anything we choose. At least we are rich enough to afford ourselves some measure of self-deception....The Journal of Commerce says: 'The $90,000,000,000 which is said to represent the present income of the American people is represented as the joint income of 117,000,000 persons, a figure which would make the average income of each person about $770. Reckoning the usual number of five persons to a family it would appear that the average American family has an income of about $3,850, an obviously absurd figure, even if correct, since (as income tax statements show) the number of persons receiving any such income is a small one. As the income of those who receive the larger returns is given to them in money or credit and never is (or can be) realized by them in goods such estimates afford only an utterly distorted account of what is actually going on in the United States.' If we were to take a justifiable economic measure for income, instead of merely drinking toasts to our noble selves, an estimate of the actual goods produced would take the wind out of the Washington figures. What is there meant by income? What is the income of a maidservant receiving a thousand dollars a year, but with no expenses except for clothes? It would be possible to devise three different farm incomes as, for instance, the net cash return at the end of the year, or that and the cost of living, estimated on the value of farm products consumed, or something still more complicated, according to the financial situation of the farmer. In estimating income for tax, the British tax commissioners, where the farmer says he has no cash income, make an estimate based upon treble the rental of his farm. How would that work in with the Washington idea? It may also be submitted, with respect, that the Government department is enumerating several kinds of income, not really identical or capable of any useful average. In the Woodrow Wilson days the Department of Labor invented a fictitious family of five and stipulated for a minimum income of $2,500 a year. As the New York Times correctly points out, our 25,000,000 families must have an average of one and three-fifths income earners, and are credited with an impossible average. Private estimates vary widely, but all of them are below the official figures. What seems tolerably clear is that income in large amount is being counted twice over."

Natural Resource Industries and Manufactures

M. David Gould, in The Magazine of Wall Street for November 5, writes on "The Economic Riddle of the Day - Why are Most of the Natural Resource Industries in Trouble While Manufacturing Enterprises Prosper." He says in part: "An amazing feature of our current high level of prosperity, and one which has not received the amount of attention which it deserves, has been the failure of many of our most fundamental industries to participate in it to a satisfactory extent. In some fields, such as agriculture, poor economic conditions have resulted in prices insufficient to maintain a reasonable margin of profit; in some, like the lumber and coal industries, underlying maladjustment has been reflected in a decrease in production; in still others, such as oil and at times certain of the non-ferrous metals, low prices have been accompanied by absolute or relative overproduction, thus reducing profits...Apparently the further an industry gets away from Mother Nature, the more prosperous it is in times of general economic well-being ...A rising standard of living does not, however, necessarily mean a corresponding increase in the production of raw materials....We can sum up by saying that the excess buying power of our prosperous periods goes into the purchase of larger quantities of labor in the goods which we buy, rather than into the purchase of correspondingly larger quantities of raw material. A rich man can not eat much more bread than a poor man, nor wear out more shoe leather, but he can sleep in a bed which is artistically carved and decorated by highly-skilled craftsmen, in preference to a factory-made metal bed, and ride in a Rolls-Royce instead of a Ford. In prosperous times, when our tendency is to expand our purchasing power, perhaps even faster than our income, we therefore buy more labor and proportionately less raw material, per dollar of purchase. This advantage which the highly-manufactured product has over the raw material is further accentuated by the enormous difference between their respective selling methods. The typical manufactured product has an individuality, a name, or trade-mark, on which thousands or millions of dollars are spent in advertising and merchandising effort. A man who wants a Steinway and is convinced that it is the particular make of piano which meets his requirements will not be induced to buy a piano of another make, entirely apart from the question of merit, without the expenditure of an enormous amount of persuasion and sales effort which, in many cases, will be fruitless. In the extractive industries, those which obtain raw materials straight from the earth, the situation is entirely different. Jones' No.1 hard wheat is as good as Brown's wheat of the same grade, and when the two shipments come to market they may be mixed in the same batch without anyone knowing or caring a bit. Similarly with most metals, fuels, and other raw products--the differences are general, relating to the particular kind of cotton, copper, petroleum or whatever the product is, but not to the individual producer... "

Wool Market

The Commercial Bulletin (Boston) for November 5 says: "The wool market, on the whole, has passed through a rather quiet week, with only a moderate business being done. Prices have been fully sustained, however, and the tendency of the market is against the buyer. Rather more inquiry is noted for the finer wools. The foreign markets are strengthening, due apparently to the heavier buying for English account in all primary markets. Stocks of wool are in very small compass in Bradford, according to latest advices. The manufacturing outlook is distinctly healthy, though buying of goods at the moment seems rather slow."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended Nov. 5: Butter markets were unsettled during the week. Purchases quite largely confined to bare necessities, and receivers were in most instances willing sellers. Prices, however, showed no material change. Storage movement continues fairly heavy. General opinion is that fall production will be heavy. Closing wholesale prices of 92 score butter: New York 48¢; Chicago 46¾¢; Philadelphia 49¢; Boston 47½¢.

Cheese markets: Further declines occurred on Wisconsin cheese boards, Friday, Nov. 4, and prices on all styles offered were reduced more than 1½ cents. These reductions are expected to apply to next week's business. Wholesale prices at Wisconsin primary markets Nov.4: Single Daisies 26¼¢; Longhorns 26½¢.

Top price on hogs at Chicago was $10.10. Compared with a week ago a meager supply of choice fed steers and yearlings held steady, inbetween grades slumped 50¢ to $1. Western and native grassers and stockers and feeders were strong to 25¢ higher, she stock and bulls fully steady, vealers $1 to $1.50 lower. Fat lambs closed 15¢ to 25¢ higher, sheep strong, feeding lambs 25¢ lower.

Wholesale prices on fresh western dressed meats at New York were steady on good grade steer beef and mutton, $3 lower on veal, steady to $1 lower on lamb, $3 to $4 lower on light pork loins and $2.50 to $3 lower on heavy loins.

Potato markets generally firm. Maine sacked Green Mountains $2.15-$2.25 per 100 pounds in eastern cities. Northern sacked Round Whites $1.40-$1.70 carlot sales in Chicago; $1.25-$1.40 f.o.b. New York Danish type cabbage nearly steady at $10-$15 bulk per ton in terminal markets; $7-$8 f.o.b. Rochester. Onions unsettled. New York and midwestern yellow varieties sold at $1.25-$1.65 sacked per 100 pounds in consuming centers; $1.50-$1.40 f.o.b. Apples firm. West Virginia Yorks $6 per barrel in New York City. Michigan Jonathans $7.50-$8 in Chicago.

Average price of Middling spot cotton in 10 designated markets advanced 47 points for the week, closing at 20.39¢ per lb. December future contracts on the New York Cotton Exchange advanced 53 points, closing at 20.82¢, and on the New Orleans Cotton Exchange they were up 45 points, closing at 21¢.

The wheat market was firmer and prices advanced. The corn market was also firmer with wheat and December corn closed at Chicago at 83½¢. December oats closed at 43½¢ and December rye at 99-1/8¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Nov. 5,	Nov. 4,	Nov. 5, 1926
	20 Industrials	188.47	187.49	152.88
	20 R.R.stocks	138.00	136.12	118.95

(Wall St. Jour., Nov. 7.)

DAILY DIGEST

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Vol. XXVII, No. 33 Section 1 November 8, 1927.

THE FRENCH TARIFF The press to-day reports that the French Government was asked in a note dispatched to Paris by the State Department last night to waive its request for complete and immediate removal of countervailing duties imposed on French goods by the Treasury Department. The report says: "It is understood that once France has restored her schedules to former levels the American countervailing duties can and will be removed."

BISCUIT MERGER A New York dispatch to-day reports that plans for a merger of eight large Middle western biscuit companies, with the United Biscuit Co. as the nucleus, were announced yesterday in a letter from K. F. MacIellan, president, to stockholders of the latter concern. The combination is being effected through the formation of a new company, to be called the United Biscuit Co. of America: The merger involves the United Biscuit Co., St. Louis; Sawyer Biscuit Co., Chicago, and Lakeside Biscuit Co., of Toledo, all subsidiaries of the United Biscuit Co.; the Streitman Biscuit Co., Cincinnati; the Felber Biscuit Co., Columbus, Ohio; the Manchester Biscuit Co., Sioux Falls, S. Dak.; the Manchester Biscuit Co., Fargo, N.Dak., and the Merchants Biscuit Co., of Denver. The Chicago Carton Co., manufacturer of containers, also is to be taken over. The transaction will be financed by issuance by the new company of $4,000,000 of 6 per cent debenture bonds, $2,000,000 of 7 per cent cumulative convertible preferred and 323,000 shares of common stock.

NEW ENGLAND FLOOD CONDITIONS An Associated Press dispatch to-day from Boston says: "Many agencies lending a helping hand in flood-damaged New England, with Vermont towns the chief objective, have turned from rescue to relief. Efforts to feed and clothe the sufferers bore fruit yesterday, as those on the outside seeking to help the victims fought against many obstacles....The worst seems to have been told in the number of dead and the total was not expected to exceed 150. Property damage, on the other hand, is likely to exceed earlier estimates and the task of reconstruction will be long drawn out and formidable. Relief work was greatly impeded by cold weather and snow in Vermont...."

FLOOD CONTROL URGED ON CONGRESS The press to-day says: "The machinery of Congress to devise means of controlling floods, particularly in the Mississippi Valley, was set in motion yesterday with the opening of hearings by the House flood-control committee. Before approximately 1,000 persons, representing the Chicago flood conference, Chairman Reid, of Illinois, reviewed the various phases of the problem, emphasizing that its solution was a national question of primary importance....Representative Reid declared that the 'problem of flood control will not be solved by following any single theory or form of defensive works,' and added: 'I believe that a combination of the best and most practical elements of the various plans that have been suggested will be found worthy of incorporation in a valley-wide national plan.'...."

Section 2

Agricultural Motion Pictures

The Bureau Farmer for November, writing on The Romance of Sleepy Valley, a motion picture produced under the direction of the American Farm Bureau Federation, says: "In making the picture a cast of more than 200 individual actors was used. Of unique interest is the appearance of the Secretary of Agriculture in one scene of the picture. In fact, the cooperation of the Federal Government in Washington enables the American Farm Bureau Federation in 'The Romance of Sleepy Valley' to present some scenes that have never before been included in a motion picture film. To those with a statistical turn of mind, it will be interesting to know that in making this film more than 96,000 separate, individual pictures were taken; that the combined lengths of the 50 prints of the film that have been made, placed end to end, would stretch for sixty miles. It would also be interesting to know that when filming certain scenes that were made in Washington, D.C., the United States Government cooperated even to the extent of closing off a section of famous Pennsylvania Avenue so that a scene might be uninterruptedly filmed...."

Agricultural Outlook In South

An editorial in Southern Cultivator and Farming for November 1 says: "Taken as a whole, the agricultural outlook is encouraging. While returns are still low, the farmer is getting more for his products than he did last year, and is in better shape than at any time since 1920, because he is beginning to put farming on a business basis. In the South the farmer has more cash crops this year, that are bringing fair prices--more feed and soil-improving crops, and better livestock. He is laying a foundation for successful farming through diversification. He will reap fair rewards for his labor, not only in immediate returns for the year's work, but in increased production in years to come that good cultural methods and good business methods assure. Increased acre yields and the use of efficient equipment are cutting costs of production. The business farmer is raising food, feed and cash crops, as well as livestock, at less expense than was incurred under old methods of mining soils and preparing and cultivating and harvesting crops with crude implements and machinery. And his markets--they are growing with the progress of industrial and general business development and with the movement of inefficient farmers and of farm labor to cities and towns. Better farming more than supplies the increasing demands, and the great need is for more orderly marketing, which will come in time with such cooperation as will enable associations to manage the sale of products in the way sales would be made by one man if he could own the bulk of any principal crop...."

Egg Record

"The British Columbia egg-laying contest for 1925-26 resulted in some startling performances which are described in the latest report of the Agassiz Experimental Farm. There were 460 birds in the contest and they laid 106,226 eggs during the year, or an average of 231 eggs per bird, a world's record. Several other world's records were made both for pen production and by individual birds. One pen of 10 hens laid 2,946 eggs or an average of 294 eggs per bird. A white Leghorn hen laid 352 eggs in 364 days, and a Barred Rock hen laid 326 eggs averaging 28 ounces per dozen, thus scoring 409 points, also a world's record. Thirty-six birds laid over 300 eggs each...." (Jour. of Agric. and Hort. (Quebec) Nov. 1.)

McCormick on Farm Industry

An editorial in Pennsylvania Farmer for November 5 says: "A few people have recognized one of the fundamental questions affecting farm conditions and which helped to bring on the 'depression' of the last few years. It is that the advancement which farmers have made in productive methods the past few years, and especially during the war, has enabled fewer people to produce the food necessities of the race. The number of farmers we had twenty, and even ten, years ago, is not needed to produce enough food products. The low prices resulting from having more than enough are forcing many out of the business into other lines. It is nothing more than the working of an economic law that a large number of farm people are leaving the farm. Cyrus McCormick, jr., in an address the other day, gave voice to the following: 'We need look no further than in the direction of coldly scientific economic law to confirm the forecast of better times ahead for the farmer. Population all over the world is balanced as between urban and rural dwellers not merely for the sake of convenience or on account of preference, but because of the actual facts of the struggle for existence. It is not only manifestly unfair but in the long run it is absolutely impossible for one great portion of the community to be at an economic disadvantage as compared with other portions. If continued disparity of farm income makes rural life too unprofitable many country dwellers will ultimately move to the city, and thus, particularly if volume of production be maintained by those who remain the cash farm income fund will be apportioned eventually on a basis of better profit for the individual.' "

Northwest Situation

The Magazine of Wall Street for November 5 says: "In the growing disquietude over the business situation, the striking improvement of conditions in the Northwest has generally been disregarded. Crop production in this section has been considerably greater than in recent years at fair prices, and results are reflected in better trade all around. The banks are in greatly improved situation. Weak institutions have been eliminated to a large extent and the stronger ones have been enabled to prosper through growing ability on the part of farmers to liquidate their debts. Business sentiment, of course, is cheerful. While, owing to the late start this year, carriers will probably not turn in earnings in excess of 1926, nevertheless their longer-range outlook is better than in a number of years. Incidentally, the securities of the Northwest roads have not reflected to any great degree the improvement in their present position and outlook."

Organization Leadership in Britain

An editorial in Country Life (London) for October 22 says: "It is apparent from the reports of farmers' meetings in different parts of the country and from private opinions expressed by thoughtful and competent observers that the importance of sound leadership is still not realized by the agricultural community. Viewed from this standpoint, the growth and development of the National Farmers' Union looked at one time as though it had in it the seeds of much that was for the good of agriculture as a whole....Having built up an organization, it is the duty of those who are placed in its responsible offices to consolidate the ground which has been gained and to make its position impregnable. It is, however, exceedingly difficult to please everybody, and the experience of all bodies is that there are occasions when a line of independence has to be taken by those who are entrusted with executive authority. This measure of independence,

however, must necessarily be kept within bounds, and it certainly does appear from recent events that the agricultural community is suffering from an obsession, on the part of the so-called farmers' leaders, that it is only necessary to harp on difficulties long enough to gain first public sympathy and then all you want. When public attention was first of all directed to the present agricultural situation a considerable degree of concern was discernible. To-day, however, there seems to be a growing feeling that if as much skill and energy had been displayed in attempting to formulate constructive proposals for the regeneration of the industry as have been expended in endeavoring to force the hand of the Government on the question of protection, the farmers would be much nearer the solution of existing problems. As it is, the National Farmers' Union leaders are in danger of losing public sympathy, and by their insistence upon a line of action which is contrary to the judgment of the majority of the electors in this country they have tended to antagonize many who would gladly have been their friends...."

Tobacco Marketing

A Lexington, Ky., dispatch to the press of November 4 states that more than 200,000,000 pounds more of tobacco will be sold at public auction in eight States this season than last, it was estimated November 3 following decision of the directors of the Burley Tobacco Growers' Cooperative Association to dispose of members' crops for this year. The ruling means that millions of pounds will be sold before the holiday period and many millions of dollars in 'quick money' will be distributed to the pool members in Kentucky, Ohio, Tennessee, Missouri, Virginia, West Virginia, Indiana and parts of North Carolina, it was said. The pool crops will come into conflict with auctions disposing of the great mass of tobacco which will be sold on the so-called independent market.

Tractor Use

An editorial in The Price Current-Grain Reporter for October 26 says: "In our October 12 review of business and trade conditions we referred briefly to the development of the tractor-combine method of producing wheat and we gave some figures showing the rapid increase in the use of these two machines in the State of Kansas. Further evidence of the growth of machine methods is supplied by some figures made public at the recent convention of the National Association of Farm Equipment Manufacturers and while these figures may prove disquieting to those who feel that the farmer should use horses, they unquestionably show the trend of events, not only upon American farms but also upon those in many other parts of the world. These figures are to the effect that 1926 was a record year in the production of tractors, with a total of 170,000 manufactured. The use of horses upon the farm undoubtedly has numerous advantages. The same thing is true with respect to the use of tractors, so that no universal rule can be laid down as to which method is the better. The problem is one to be solved by the individual farmer and we do not believe propaganda based on altruistic motives will be of much avail...."

Wisconsin Agriculture

An editorial in The Wisconsin Agriculturist for October 29 says: "On many occasions we have fully explained the reasons for Wisconsin's prosperity and the thrifty condition of her farmers, owing to the fact that more than half a million dollars' worth of milk leaves the farms of the State every day in the year. Now comes the opinion

of an unbiased authority in the person of James O'Donnell Bennett, the well known correspondent of the Chicago Tribune, who has been touring Wisconsin, gathering facts for his paper. Mr. Bennett recently wrote to the Tribune as follows: 'They surely farm with intelligence in Wisconsin. They don't plant one crop and then sit down and wait for it to come true. They are busy all the time with their small grains, their dairies, their peas, tobacco, hogs, poultry and eggs. They are contrivers and experimenters. They are true to all the proverbs of thrift and caution, always having more than one string to their bow and never putting all their eggs in one basket. The result is a farming population that is facing the prospect of early frost without panic, and happy over the certainty of plenty of feed for the cattle. With its diversified farming interests, Wisconsin is always lightly touched by depression which elsewhere would mean disaster. Those semi-monthly and monthly checks for dairy products are wonderful steadiers when other crops go wrong. Milk is bringing within a cent or two of two dollars per hundredweight. And the situation is bulwarked by the enormous fact of high prices for milk in a State where milk last year provided 47 per cent of all gross farm income. In 1926 Wisconsin farmers realized $193,500,000 from milk sales alone.' "

Section 3

MARKET QUOTATIONS

Farm Products Nov. 9: Top price on hogs at Chicago is $10.35 or 5¢ less than a week ago. Beef steers were mostly steady while heifers showed some weakness. Cows advanced moderately. Vealers and heavy calves were lower. Stockers and feeders and fat lambs showed price improvement, sheep were steady and feeding lambs declined. Wholesale prices on fresh western dressed meats at New York were steady on good grade steer beef and lamb, $1 lower on veal, $1 higher on mutton, $1 to $2 lower on light pork loins and $2 lower on heavy loins.

Unfavorable weather in the Corn Belt strengthened the corn market and prices closed about 1¢ higher in the futures market. Oats were also firmer but wheat and rye were practically unchanged. December wheat closed at Chicago at $1.26 3/8, at Minneapolis $1.23½, and at Kansas City $1.21 7/8. December corn closed at Chicago at 84½¢ and December oats at 48 7/8¢. December rye closed at 99¢.

Average price of Middling spot cotton in 10 designated markets was unchanged at 20.69¢ per lb. December future contracts on the New York Cotton Exchange advanced 1 point, closing at 20.83¢, and on the New Orleans Cotton Exchange advanced 5 points, closing at 21.05¢.

Closing wholesale prices of 92 score butter: New York 48½¢; Chicago 46¾¢; Philadelphia 49½¢; Boston 48¢.

Maine sacked Green Mountain potatoes steady at $2-$2.25 per 100 pounds in the East; mostly $1.65 f.o.b. Presque Isle. Northern sacked Round Whites slightly higher at $1.50-$1.75 carlot sales in Chicago; $1.30-$1.50 f.o.b. Apples unsettled. Eastern Yorks $5 per barrel in New York City. Michigan Jonathans $7.50-$8.00 per barrel in Chicago. Onions irregular. New York and midwestern sacked yellows sold at $1.25-$1.75 per 100 pounds in consuming centers; $1.35-$1.40 f.o.b. Virginia yellow sweet potatoes 50¢ higher in New York; other markets irregular ranging $1.25-$2 per barrel in the East. Tennessee Nancy Halls $1-$1.15 per bushel hamper in the Middle West. New York Danish type cabbage tending higher at $8-$16 bulk per ton in eastern cities; mostly $8 f.o.b. Rochester. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XXVII, No. 34 Section 1 November 9, 1927.

THE PRESIDENT AND FARM RELIEF

President Coolidge is understood to be giving serious consideration to a farm relief plan which would be a far cry from the idea of tariff for revenue only, in that tariff revenues would in part be given to the American farmer in compensation for his surplus crops, according to Carlisle Bargeron, writing in The Washington Post to-day. He says further: "It is the so-called debenture plan that is understood to have gained favor with him. He is reported, in fact, to have told one man with whom he has discussed the situation recently that he saw no objection to it.... Under the debenture plan the farmer would be given a certificate for his output sold in the world market, calling for the difference between the domestic price and the world level price plus the tariff. Then he could sell these certificates to brokers or importers who in turn could use them in the payment of customs on goods they import. It would therefore mean that the tariff which the farmer now contends works against him would be used for the double purpose of not only protecting American industry, but at the same time compensating him for his surplus crops...."

VERMONT FLOOD RELIEF

A Boston dispatch to-day says: "Vermont yesterday started on a definite program of rebuilding its homes, industries and highways, ruined by the flood waters of its rivers. While outside agencies continued their work of relieving the sufferings of 7,500 persons in the valleys of the north with food, fuel, clothing and medicine, the first steps toward State-wide rehabilitation went forward. Unable to assemble a special session of the Legislature at this time because of washed out roads and bridges all over the State, Governor John E. Weeks found himself temporarily halted by lack of money. Instead, he announced his intention of appealing to banks and men of wealth in the State to underwrite a $500,000 loan to the State on their own responsibility. Indications last night were that this money would all be used for bridge and road construction almost immediately. Despite losses of more than $6,000,000, and with many of its industries bankrupt, Montpelier talked of a special bond issue...."

INTERNATIONAL TRADE RELATIONS

A Geneva dispatch to-day reports that the United States, represented by Hugh R. Wilson, American Minister to Switzerland, has not signed the convention for the abolition of prohibitions and restrictions on exportation and importation, which has been adopted by the international conference. Nineteen other countries signed the convention yesterday. Mr. Wilson explained that before reaching a final decision regarding signature, the text of the convention would be submitted to the various branches of the United States Government. The report states that among the most important prohibitions maintained are those preventing importation of dyestuffs into Great Britain and Japan, and preventing the exportation of scrap iron from France, Italy, Germany, Belgium, Austria, Hungary, Roumania and Czechoslovakia, and the exportation of helium gas, used by dirigibles, from the United States, and iron ores and corn from Italy.

Section 2

Agricultural History in British Museum

The Field (London) for October 27 says: "There is now on view at the British Museum an exhibition of manuscripts and printed books illustrating the history of agriculture from the earliest days of which records are available. This has been arranged for the benefit of the delegates to the Imperial Agricultural Research Conference....One of the earliest exhibits is the funerary papyrus of a royal scribe who lived in Thebes, in Upper Egypt, during the fifteenth century B.C. The purpose of the long roll of papyrus was to insure for the dead man a satisfactory state of existence in the next world, and the vignette on this particular sheet shows the scribe occupying himself with agricultural pursuits--the basis of life in Egypt throughout history--in the Elysian Fields of the Ancient Egyptians. Another papyrus of the second century A.D. records the annual lease of two arouras of land at a rent of 80 drachmas, the lessee to sow and plant the land with whatever crops he chooses except woad or coriander. These crops were evidently regarded as too exhausting for the land. If any part of the land remained unwatered the lessee was to be allowed a rebate off the next year's rent...Other papyri are farm accounts, recording the hire of oxen and donkeys, payments made to slaves for weeding flax, etc. There are also examples of the returns which all owners of livestock were required to make each year for the purpose of taxation. Mediaeval and modern manuscripts complete a most interesting review of agriculture through the ages."

Beef Grading in Canada

An editorial in The North-West Farmer (Canada) for November 5 says: "Ways and means whereby beef may be graded have been discussed at several points in Western Canada where the committee that is dealing with the Question met delegates representing the producers, consumers, retailers and packers. Generally speaking there is a desire on the part of all parties concerned particularly as applying to producers and consumers to have a definite standard set for at least two top grades of dressed beef. On the other hand it is reported that certain retailers or butchers consider that the grading of beef would raise the price to the consumer but would not benefit the producer in any way. If that is the case, then the only parties to profit from grading would be the packers and retailers. Legitimate profits are due both the packers and the retailers for the parts they play in distributing dressed meats but unless the producer will be benefited in some way and the consumer has some guarantee of getting an edible piece of beef when such is desired at a fair price the project will not have any beneficial effect on the beef cattle industry as a whole so far as we can see.....Now is a good time to get such a project underway. The pinch of low cattle prices is beginning to be forgotten so that stock men are in a frame of mind to consider their enterprise from a purely business standpoint....Practically all other farm products are now being graded so there seems to be no good reason why the grading of beef should not be commenced after the matter has been thoroughly looked into and the best plan decided upon."

British Agriculture

The Field (London) for October 27 reports that at a recent meeting of the Council of Agriculture for England "after sympathetic reference to the bad harvest which British farmers have experienced this year, Mr. Guinness (Minister of Agriculture) remarked upon the good prospects of the sugar beet industry. The Government subsidy on home sugar production is now on a decreasing scale, but still fresh

enterprise is being attracted and at the present time no less than six new factory schemes are under consideration. Foot and mouth disease has been kept well under control this year, though this autumn there have, unfortunately, been outbreaks in North London and in West Somerset....After the Minister's statement the council considered a resolution, proposed by Sir Francis Acland, suggesting the preparation of a report on various aspects of the marketing problem. After some discussion it was decided to adopt this proposal, and no doubt the Council of Agriculture will be able to afford valuable support to those who are pressing for the adoption of better business methods in the marketing of farm produce....Lord Strachie proposed that the council should ask the Government to remove altogether the burden of rates from agricultural land, but in this matter, too, the council decided that it would not be justified in pressing for the expenditure of further funds from the national Exchequer."

Building in France

There exist in France no less than 1,177 organizations whose aim it is to promote the building of cheap homes, according to a report received from the French information service of the Bankers Trust Company of New York. A great effort has been made in that direction since the armistice, when the number of buildings destroyed during the war was found to total 893,792, of which 866,864 were homes and farm buildings, 17,616 public edifices and 9,332 industrial establishments employing a minimum of ten workmen. On January 1,1925, 508,319 buildings had been rebuilt, of which 490,669 were dwelling houses and farm buildings, 9,484 public edifices and 8,166 industrial establishments. These figures do not include either wooden or temporarily repaired buildings.

Economics Teaching

L. C. Marshall of the University of Chicago has compiled, under the title "Offerings in Economics in 1925-26," a set of work tabulations and presents them in The Journal of Political Economy for October. By way of introduction, he says: "At a conference on the teaching of economics held at the University of Chicago in 1911 a committee made a report on 'The Teaching of Economics in the United States' as of 1910-11. One of the sections of that report dealt with the amount of instruction in economics in the country, the distribution of this instruction among various subjects, and its distribution in territorial or geographical areas. This present paper portrays these same particulars as of 1925-26--fifteen years having gone by. In addition it examines the offerings in economics in varying types of institutions. The data were gathered from the official catalogues of American colleges and universities, 392 institutions being represented in the 1910-11 tabulations and 571 in those for 1925-26. Table I, Distribution of Work in Economics by States, Geographical Divisions, and Subjects, 1910-11, and Table II, Distribution of Work in Economics by States, Geographical Divisions, and Subjects, 1925-26, present the total figures."

Foreign Trade

American exports to all parts of the world continued to make gains during the first half of the year, with Europe still holding first place as the chief market for American products, according to a review on our world trade recently issued by the foreign commerce department of the Chamber of Commerce of the United States. At the same time American imports from every part of the globe declined.

Hoover On Inland Waterways

Based on present rail costs and the influence of the Panama Canal on coast shipping, Chicago has moved 336 cents away from San Francisco, while New York has moved 224 cents closer, according to Secretary Hoover, in the current number of The Magazine of Business. "Picking the cheapest route in every instance, we have found that, whereas before the war a ton of staple goods cost 1,904 cents to ship from New York to San Francisco, now, via the Panama Canal, it costs only 1,680 cents," said the Secretary. "On the other hand, Chicago, which was 2,610 cents away on this same ton of goods from the Pacific Coast before the war, is 2,946 cents away to-day. Chicago has moved 594 cents away from the markets of South America and from our own Atlantic seaboard and the same ratio applies pretty well throughout the Middle West. Now, in pushing those markets further away, it has made it more costly to get to market and to bring in raw materials and merchandise from the outside. The effect is not confined to the farmer. It is bound to force certain types of Middle Western industrial enterprises to move to the seaboard. This leads in the wrong direction economically. It tends to establish manufacturing nearer the Coast and further from the heart of agriculture, to the disadvantage of both industry and agriculture, and of the ultimate consumer of farm stuffs and manufacturered products. It is a pretty serious trend when you look ahead." Mr. Hoover points out that facilities must be provided to handle at least double the railway traffic that is handled to-day before another twenty-five years has elapsed. He points out that the problem of terminals is a serious one, greatly aggravated by the increase in land values in the cities. "We can relieve the situation greatly by improvement and development of our natural channels of commerce, our waterways," Secretary Hoover continues. "Our natural waterways lend themselves to such a system if we enlarge our vision of our inland waterways to embrace a great, connected water-transportation system stretching from the seaboard over the heart of our Middle West, rather than as a series of disconnected river, lake and canal projects. ..."

Poland and Cotton

An editorial in The Wall Street Journal for November 7 says: "Statistics of the International Federation of Cotton Manufacturers show that of the countries of Europe Poland stands ninth in the mill consumption of cotton. Recent action, therefore, in establishing Polish currency on a gold basis is of considerable importance to the cotton growers of the United States, and is bound to have still more importance in the near future. Comparison of the reports shows that in 1926 there was a substantial improvement in the whole textile industry of Poland. That country has not yet come up to the prewar average, either in the number of spindles or of spindle and loom hours, but is making considerable advance. In the past year there has been more raw material consumed, spindles have been increased, and employment in the industry is considerably larger than in the preceding year. These facts show that Poland is stepping up and in a short time should pass the prewar figures. The Department of Commerce confirms this, reporting that in the current year the cotton business in Poland is enjoying considerable prosperity. Poland manufactures some for export, but has a potentially large domestic market. In fact, the Department of Commerce attributes the present activity in the textile mills to the increased purchased power of the Polish people. Although their purchasing power may be somewhat better now than in

preceding years, it is far from what it might be with a country entirely rehabilitated and the people working at good wages. With a population of 30,000,000 citizens, well fed and well clothed, there is a potential demand for far more American cotton than is now consumed in that country. This is to be expected as one of the future results of the establishment of the gold basis. Stabilizing that country's currency, and guaranteeing its stability by fourteen of the leading central banks of issue is assurance that not only Poland but Europe has taken a long step forward in rehabilitation. The results in the very near future should show in a larger consumption of cotton, not only in Poland but elsewhere...."

Section 3
MARKET QUOTATIONS

Farm Products Nov. 8: Eastern Round White potatoes closed at $1.85-$2.20 sacked per 100 pounds in the East; few sales mostly $1.90 f.o.b. Wisconsin sacked Round Whites $1.50-$1.75 carlot sales in Chicago; $1.50-$1.53 f.o.b. Waupaca. New York Danish type cabbage ranged $12-$18 bulk per ton in city markets; $9-$10 f.o.b. Wisconsin stock $1 sacked per 100 pounds in Chicago. New York and midwestern yellow onions $1.25-$1.85 in consuming centers; $1.30-$1.40 f.o.b. New York Baldwin apples $1.50-$1.75 per bushel basket in the East. Eastern Yorks $5-$6 per barrel in a few cities. New York and Michigan Rhode Island Greenings $8-$9 per barrel in Chicago.

Top price on hogs at Chicago is $10. Prices on other classes of livestock are as follows: Beef steers choice $16.90 to $17.85; good $13 to $17; medium $9.25 to $13.50; common $7 to $9.25; heifers, good and choice $9.25 to $14.75; common and medium $7 to $10.75; cows, good and choice $7.50 to $10.25; common and medium $6 to $7.50; low cutter and cutter $5.25 to $6; vealers, medium to choice $11.50 to $14.25; heavy calves, medium to choice $7 to $10; stockers and feeders, common to choice $7.50 to $11.50; fat lambs medium to choice $14 to $14.60; yearling wethers, medium to choice $10.50 to $12; fat ewes, common to choice $4 to $7; feeding lambs, medium to choice $13.10 to $14.50.

Weaker foreign markets together with a rather dull export demand had a weakening influence on the wheat market in trading and future prices closed about ½¢ lower than yesterday's close. December wheat at Chicago closed at $1.25¾, Minneapolis $1.23, Kansas City $1.21-3/8. Rain and snow in the Corn Belt was unfavorable for husking and marketing corn and prices advanced about 1¢ per bushel, December corn closing at Chicago at 85-5/8¢. Oats were also slightly higher, December closing at 49-3/8¢. Rye was slightly lower and closed at 98¾¢ for the December at Chicago.

Closing wholesale prices of 92 score butter: Philadelphia 49½¢; Boston 48¢. Holiday in New York and Chicago. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 35 Section 1 November 10, 1927.

FARM ORGANIZATIONS ON RELIEF The Associated Press to-day reports: "Leaders of three farmer organizations met about the conference table at Washington yesterday in an attempt to map out an agricultural relief legislative program, but the meeting carried far into the night, contrary to their expectations. A substitute advanced by the National Grange for the controversial equalization fee provision of the vetoed McNary-Haugen bill proved the stumbling block which forced an extra session. The Grange proposed to the representatives of the American Farm Bureau Federation and the Farmers' Union, the other organizations represented, that the cost of marketing surplus crops on the world market be met by export debentures, collectible from tariff receipts. The export debentures would represent the difference between the domestic price of crops and the world price. They would be given to exporters, who in turn could cash the debentures by sale to importers, who could present them as payment of customs duties....The farm leaders, who included L.J.Taber, master of the National Grange; Sam H. Thompson, president of the Farm Bureau Federation, and Charles S. Barrett, president of the Farmers' Union, offered no comment on their hopes for a new farm relief legislative program pending conclusion of the meetings. Proponents of the export debenture proposal argued that this would lift the burden of disposing of surplus crops from the farmers, as would have occurred, they hold, under the equalization fee provision, which the President held unconstitutional...."

VERMONT FARMERS STRICKEN An Associated Press dispatch to-day from Burlington, Vt., says: "The farmers of the Vermont flood district are abandoning their properties to take up day labor, Thomas Broadlee, director of the Extension Bureau of the State Agricultural College, announced yesterday. 'What else can they do?' he said. 'Our records show that 50 per cent of the Vermont farms were mortgaged before the flood. The farmers in the inundated regions are unable to raise more money on their property for rehabilitation purposes. They are just crushed under the burden and haven't the strength to carry on.' Bradlee said that his organization had just made a survey of the farms in the Winooski and Lamoille Valleys to determine the prospects for rehabilitation and had found the outlook anything but bright. He estimated that 15,000 milk cows had perished throughout the State in the flood. 'And of course they were all valley cows,' he said, 'which have far more milk than the hill cows. The loss is as great as if 30,000 hill cows had been lost.' Bradlee said that Vermont cows gave 64 per cent of the Boston milk supply. One dairy farm outside Burlington lost $25,000 of pedigreed stock."

HURLEY ON TRADE MARINE The press to-day reports: "A broad program for the reorganization and upbuilding of the American merchant marine under private ownership, prepared by Edward N. Hurley, wartime chairman of the Shipping Board, was submitted yesterday to the board. The plan is based upon the participation by railroad systems in the ownership and operation of ships, and the creation by the Congress of a revolving merchant marine fund of $500,000,000, to be loaned at 2½ per cent interest to private concerns for the building of freight and passenger vessels...."

Section 2

Cheese Rates The press of November 9 reports that railroad rate reductions for western cheese producers came into prospect Nov. 8 as a result of two preliminary reports to the Interstate Commerce Commission by examiners who investigated complaints. The commission was advised in one report that the Wisconsin Department of Markets had justified its demand for a lower basis of cheese rates out of that State, while the second advised a lower rate to California from mid-western points. Wisconsin cheese now is shipped as third class freight when in carload lots, but the commission was recommended to require railroads to make cheese a fourth class commodity, which would result in a lower rate. At the same time the railroads were held justified in continuing their present practice of rating less than carload lots of Wisconsin cheese as second class. In the second report the commission was advised to fix a rate on Idaho cheese to California of $1.53 per hundred pounds, as against existing charges, which run up to $1.66. To California from the Illinois-Wisconsin territory the report advised a rate of $2.85 instead of $3. The commission itself must pass upon the proposals before they become effective.

Community Leaders An editorial in Hoard's Dairyman for November 10 says: "The development of community agricultural leaders is to us one of the most important steps in placing farming upon the proper basis. For years we have urged organizing from the bottom up and not from the top down. There will be no danger of peasant agriculture when we have capable local leadership and strong local community organizations. The Division of Dairy Extension work of the Michigan Agricultural College is planning to develop local leadership and to prepare it for larger service. Two leaders from each township in a county are being brought together for a day and one of the following subjects is being considered: 'Possibilities of Dairying,' 'Factors in Profitable Dairying,' 'Quality in Dairying.' These township leaders will, in turn, discuss these questions at local meetings in their communities. It is easy enough for a few people to gather in some comfortable hotel and discuss ways and means of serving the farmer. We do not question the sincerity of most men gathered at such places, but we do question the advisability of continuing such conferences. What is needed now and what has been needed for a long time is men to roll up their sleeves and get out into the country where the work is waiting. The plan to meet with two local leaders in each township in a county and discuss with them topics which they, in turn, can discuss with the people in their community is one way to help agriculture. The sooner we realize this and get behind an educational program of this character, the better it will be for agriculture and those making a living from it. We are having altogether too much talk and too little action."

Dairy Exposition In South An editorial in Hoard's Dairyman for November 10 says: "We believe the Dairy Exposition went South at a propitious time, for there is real sentiment for the dairy cow in Dixieland. The South is developing a dairy industry. Tennessee produces annually $50,000,000 worth of dairy products and in 1926 Mississippi manufactured over $3,326,000 worth of butter, also much condensed and fluid milk. The leaders in agriculture have long comprehended that the farmers of the South must sooner or later devote more attention to diversified farming and that the cow, the sow, and the hen would contribute substantially to their incomes. Too much cotton is grown. So long as this crop held full

sway there was little or no opportunity to place southern agriculture on a permanent and profitable basis....It is the purpose of the National Dairy Exposition to stimulate farmers, to cause them to consider new opportunities in their business and better ways of doing things on their farms and plantations. Just how much good the Dairy Exposition will do the South depends on how much the farmers brought to it, how carefully they studied its lessons, and how well they comprehend the cow and her relationship to their other branches of farming. The South needs the dairy cow, she needs her daily income and her food, and her soil needs her beneficent treatment. The cow leads the way and makes possible a sound system of agriculture. She is not the Alpha and Omega of agriculture, but rather the foundation upon which a sound farming business can be built and a productive soil maintained. Cotton will remain king and the cow has already been crowned Queen of the South. This is a happy combination and with faith and understanding will build a profitable and an interesting system of farming in our Southland."

International Radio — Need for the use of two wave lengths to relay broadcasting for international exchange of programs between the United States and England, as proposed by the Radio Corporation of America, was explained in a letter received Nov. 8 by Admiral Bullard, chairman of the Federal Radio Commission, from Alfred N. Goldsmith, the corporation's chief engineer, according to the press of Nov. 9. The statement came in response to a letter written by Admiral Bullard in which he said there would be no trouble in allocating a wave length of 11,020 kilocycles for international exchange, but he sought information relative to the corporation's request for an additional wave length of 16,020 kilocycles for the same service. Mr. Goldsmith replied that maintenance of all-year-round, point-to-point relay broadcasting service between the United States and England during the afternoon hours (Eastern Standard Time) definitely required two carefully chosen wave lengths, one of which must be below twenty meters, to permit service during the entire year to be carried out.

Poultry Breeding in Michigan — An editorial in The Michigan Farmer for November 5 says: "The Michigan State College has maintained egg laying contests for five years, the fifth year ending Nov. 1 this year. During this time it has had in competition 500 pens of hens of all breeds, or five thousand birds in all....In these Michigan contests, pens are entered from the flocks of the best breeders on the continent. It is worthy of comment that nearly every year a Michigan pen has led in production. Since the contest averages here are high compared with similar contests held in a few other States, this record speaks well for Michigan poultrymen and for the efficient way in which the Michigan State College is spreading the gospel of better poultry management and breeding."

Tobacco Trade — The growing volume of production in foreign countries has brought many changes in the United States export trade, says the New York Trust Company in a survey of the tobacco trade. It is pointed out that in recent years tobacco has come to be one of the most important commodities of the world's commerce, and that probably every country engages in the trade in some fashion, and the international exchange of leaf tobacco amounts to well over a billion dollars.

Producing one-third of the world's tobacco output and exporting about 45 per cent of the world's total exports, the United States is the principal influence in the industry. The annual tobacco crop in this country is greater than the exports from all the countries of the world.

Vermont Industries Damage

A Boston dispatch November 8 states that latest reports from the flood districts of New England show that the textile centers along the Connecticut and Merrimac Rivers in Vermont, New Hampshire and Massachusetts have suffered considerable damage. The reports indicate, however, that the greatest amount of danger has been done in Vermont where the industries in the flooded area are many but largely of the agricultural type. Of the larger Vermont centers visited by the flood, Burlington and Winooski have woolen mills and widely varied industries; St. Albans makes maple sugar utensils, machines, stoves and granite, marble and lime products, besides having large bakeries and canneries; St.Johnsbury makes weighing scales, agricultural implements, ice cream, lumber products and bakery goods; Montpelier and Barre are great granite manufacturing centers; Rutland has a wide variety of manufacturies; Bellows Falls has great paper mills. White River Junction in the White River Valley has great bakeries and is an important railroad junction where the White River flows into the Connecticut in eastern Vermont; Hartford, Sharon and Randolph besides the usual creameries, lumber and grist mills, make paper, chair stretchers, spool timber, canned goods, doors, furniture, agricultural implements, pumps and gelatine. Hartford has a woolen mill. In northwestern Vermont, also hard hit, the towns of Swanton, Highgate and Sheldon have creameries, lumber and grist mills and also manufacture lime, marble, paper, axes, stoves and furnaces. In the Lamoille Valley, between Burlington and St. Albans, in western Vermont, Milton, Fairfax and Cambridge have creameries, lumber and grist mills. Cambridge makes blocks for shoe factories. Waterbury, with 3,542 population, manufactures boxes, carriages, clothespins, clapboards, scythe snaps, canned goods, cider and vinegar, and has creameries, a foundry, a grist mill and granite and talc plants.

Women as Farm Managers

An editorial in New England Homestead for November 5 says: "To-day, throughout the United States, over 200,000 women are operating their own farms; responsible for the work that once was considered strictly a man's job. Here in New England the census figures show 8,650 women who own their own farms, while 52 more are farm managers and 277 more are tenants. One of the most outstanding trend of the times is the extent to which women are engaging in business, industry, and professional work. The farm of to-day is a different one from that of 20 years ago. Modern inventions have practically banished its isolation and modern machinery has greatly reduced the labor. Likewise our living habits have changed. We no longer depend on the products of our own kitchen for our total sustenance. Prepared foods of all descriptions have reached a stage in quality where they are more and more replacing home cooked foods. Thus is the former major responsibility of the farm women considerably lessened. From the social standpoint there are clubs devoted to the interest of the farm women, as well as grange and church affairs to fill the need for personal contact with others of her sex. There seems to be no reason why any women with business and managerial ability can not successfully take her place at the head of a farm."

Section 3
MARKET QUOTATIONS

Farm Products Nov. 9: Potatoes firm. Pennsylvania sacked Round Whites $1.85-$2.20 per 100 pounds in the East; mostly $1.90 f.o.b. Rochester. Maine sacked Green Mountains $2.10-$2.25 in a few cities; mostly $1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites 5¢-10¢ higher at $1.50-$1.75 carlot sales in Chicago; $1.53-$1.55 f.o.b. Waupaca. Cabbage tending higher. New York Danish type $10-$20 bulk per ton in city markets; $9-$10 f.o.b. Rochester. Apples nearly steady. New York Baldwins $2-$2.25 per bushel basket in New York City; McIntosh $2.50-$3.25. New York and Michigan Rhode Island Greenings $8-$9 per barrel in Chicago. New York yellow onions slightly higher at $1.40-$1.90 sacked per 100 pounds in eastern cities; $1.35-$1.45 f.o.b. Midwestern sacked stock $1.35-$1.65 in consuming centers; $1.30-$1.35 f.o.b. West Michigan points.

The wheat market did not change materially during to-day's trading but the tone of the market was reported dull. December wheat closed at Chicago at $1.25¼, at Minneapolis $1.22 5/8, Kansas City, $1.21½. The corn market lost nearly all of yesterday's gain, December corn closing at Chicago at 84 7/8, December oats closed slightly lower at 49¼. Rye was nearly 1¢ higher closing at 99½¢.

Top price on hogs at Chicago is $10 or 40¢ less than a week ago. Beef steers and stockers and feeders are steady to 25¢ higher than a week ago, heifers uneven and cows moderately higher. Vealers advanced, heavy calves held steady, while fat lambs and sheep showed price improvement. Feeding lambs were weak. Wholesale prices on fresh western dressed meats at New York were steady on good grade steer beef, $1 higher on veal and mutton, $2 to $3 higher on lamb, $1 to $3 higher on light pork loins and $1 to $2 higher on heavy loins.

Average price of Middling spot cotton in 10 designated markets declined 93 points, closing at 19.72¢ per lb. December future contracts on the New York Cotton Exchange declined 99 points, closing at 19.84¢, and on the New Orleans Cotton Exchange were down 110 points, closing at 19.98¢.

Closing prices on 92 score butter: New York 48½¢; Chicago 47½¢; Philadelphia 49½¢; Boston 48¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Nov. 9,	Nov. 7,	Nov. 9, 1926
20 Industrials	189.31	190.57	154.78
20 R.R. stocks	137.73	139.21	119.09

(Wall St. Jour., Nov. 10.)

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DAILY DIGEST

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Vol. XXVII, No. 36 Section 1 November 11, 1927

FARM ORGANIZATIONS AND RELIEF LEGISLATION The press to-day reports: "Efforts of three leading farm organizations to agree at Washington yesterday on relief legislation failed, but there were strong indications that hope for a compromise within a short time was by no means dead. President Coolidge has taken the stand that if the farm leaders can not agree among themselves, theirs would be the responsibility for the failure of any legislation. The equalization fee embodied in the McNary-Haugen bill again was the rock on which the conference split. The American Farm Bureau Federation, one participant, insisted on the fee, while the National Grange, demanded the debenture tariff program. The Farmers' Union seemed to be inclined toward the federation's plan, although it has not gone on record officially. Despite the impasse, the farm leaders seemed to realize they must compromise if any legislation to benefit the farmer is to be introduced in Congress. They frankly said they were willing to do so if some middle ground could be found, but that neither the federation nor the Grange would consent to adopt the other's plan. President Coolidge's attitude was what strengthened the hope for an agreement. Within the last forty-eight hours Mr. Coolidge has plainly told the farm leaders that if they do not reach a settlement, responsibility for failure of legislation would rest upon the shoulders of their organizations. In effect, he said he was not only hopeful of a compromise, but one should be effected if farm leaders expected action by Congress.... The conferees in reporting back to the conventions of their organizations will state that on thirty-four legislative issues the three are in agreement; that farm relief is still the sticking point; that there must be a compromise if the issue is to be kept out of the campaign; that most farm leaders do not want it made a campaign issue, and that President Coolidge has made it plain if compromise and legislation fail, the farm organizations must be prepared to take the blame...."

THE FRENCH TARIFF A Paris dispatch to-day says: "The decree restoring normal tariff conditions between the United States and France until such time as a permanent commercial treaty can be negotiated will be signed by the President of the French Republic on Saturday. The American Embassy is being informed unofficially to this effect. The decision to hasten the end of the long-drawn-out controversy was taken yesterday. Nine formal notes--five American and four French--have gone back and forth between Paris and Washington since Sept. 7, the day following that upon which the quadrupled tariffs on American goods became effective....With the temporary accord practically out of the way, the French Government began yesterday to give serious consideration to the problem of a permanent treaty...."

NOBEL PRIZE WINNERS A dispatch to-day from Stockholm, Sweden, reports that by decision of the Academy of Sciences yesterday the Nobel Prize for Physics for 1927 will be divided between Professor Arthur Compton of Chicago and Professor Charles T.R.Wilson of Cambridge University. Professor Compton, whose researches have been devoted largely to the X-ray and radio activity, received the award for the discovery of the Compton Process. Professor Wilson won his part of the prize for his method of observing electrified particles. The Academy of Sciences decided not to award the Nobel Chemistry Prize until 1928.

Section 2

Agricultural Business

T.W.D.Duke, writing on Integration of the Business of Agriculture in Commerce and Finance for November 9, says: "...The American people no longer view with alarm the development of a billion dollar organization, but are inclined to be proud of its achievement. They have learned the value of large scale organization and have also learned appropriate measures for public control thereof. But willing as we are to see the industries and public utilities of the Nation organized into strong groups, yet the general assumption seems to be that unless the farmer carries on his business in the old-fashioned single-handed manner, the United States is doomed. Despite the obvious advantages of the legitimate pooling of resources and proper organization, the farmer is asked to conduct his affairs on a basis which changed conditions have rendered obsolete. It is therefore submitted that the ultimate solution of the so-called agricultural problem is the integration of the business of agriculture along lines similar to the integration which in recent years we have witnessed and approved in the field of public utility operations. Following this suggestion, there would be formed sufficiently large holding corporations which would in turn control great farms situated in different sections of this country. Coincidentally with the growth of such organizations there would develop proper public regulation. Both in the integration of the business of agriculture and in the regulation thereof, the knowledge gained from the integration of the public utility business would stand in good stead...."

Canadian Horses to Russia

A Quebec dispatch to the press of November 10 states that the transportation of 10,000 Canadian light draught horses from Quebec to Leningrad, Russia, is the goal set by the Soviet Government for the 1928 season of navigation. The report says that with the departure from Quebec about Nov. 15 next of the Russian steamer Dekabrist with 850 horses, a total of 3,000 of the animals will have been shipped through that port this year.

France's Finance Budget

The report on France's finance budget for 1928 shows according to advices received by the Bankers Trust Company of New York from its French information service that an amount of 21,231, million francs has been set aside for the service of the public debt. Civil, military and war pensions which are included in this sum amount in round figures to 7½ billion francs and the remaining 13,700, million francs comprise 10,700, million francs for interest on the internal and external debt and three billion for amortization. To these budgetary estimates, according to Mr. Palmade, Reporter General of the finance budget, must be added for interest payable by the autonomous sinking fund, 2,700 million francs, and for extra-budgetary amortization 3,600 millions chargeable separation receipts under the Dawes Plan and 2,500 millions chargeable to the Autonomous Sinking Fund, or, in all, 6,100 million francs. From this total of 30.1 billion francs must be deducted the amount provided from reparation receipts after which the total debt charge which must be paid by French taxpayers, during 1928 will reach 26,400,000,000 francs.

French Air Service

An Associated Press dispatch Nov. 10 from Paris states that regular air mail service between France and South America will be undertaken next year. Financial support for the project, long contemplated by the French Government, was assumed on Nov. 9, when the finance

committee of the Chamber of Deputies voted 120,000,000 francs (about $4,800,000) as a subvention to the Latecoere Company, which for some time past has exploited the air mail line between France and her African colonies.

Friesians in Britain

An editorial in The Field (London) for October 27 says: "Friesian breeders find themselves in an awkward predicament through the recent importation of 100 head of pedigree Friesian cattle from South Africa. The British Breed Society will have nothing to do with this importa ion because it has been made without their authority and the Friesians now in quarantine at Southampton are not to be eligible for the British herd book. Nevertheless, these animals are said to be of excellent Friesian type and quite as good specimens of the breed as those imported from South Africa after the war. It seems as if Friesian breeders will have to stand by and see good pedigree animals, that would improve their herds, sold at commercial prices....It is most unfortunate that there should have been disagreement between the British and South African breed societies over this importation, for matters have now reached such a stage that considerable confusion is likely to result in the Friesian world...."

Industrial Earnings

Business promises to finish the year running at good speed but somewhat unsteadily, says the current issue of the American Bankers Association Journal in its monthly business review. "Excellent harvests and easy money, the favorable factors which have played an important part, remain practically unimpaired," the review says. "Building construction and engineering work have offset to considerable degree the marked decline in automobile production. Expansion of fall trade adds impetus to business. Nevertheless, as one examines conditions down the list of individual industries, their good-bad-and-indifferent states become rather conspicuous. Perhaps nothing is more significant than the earnings reports of industrial concerns covering the September quarter; 125 reports appearing to date, from practically every major industry, show a decline in earnings of 12.8 per cent as compared with the corresponding quarter last year. A decline of this size makes no bad showing when one considers that a large part is accounted for by two industries--steel and oil. Of the 125 companies, fifty-four had higher earnings than last year, while seventy-one ran below. Aggregate profits of the group for the third quarter of 1927 were $216,692,000, compared with $248,386,000 in the same period of 1926...."

Radio Technical Board

The press of Nov.10 reports that over the opposition of the United States, which was joined by Canada, Argentina, Brazil, China and France, the convention committee of the International Radio-Telegraphic Conference agreed Nov. 9 to found a permanent international radio technical committee, with power to advise the governments signatory of the convention now being drawn up at Washington in all matters pertaining to the international radio traffic. The vote was 22 to 6, the major European delegations, with the exception of France, voting for the commission. The report says: "Some of the sting was taken out of the defeat inflicted on the United States and its allies when the committee adopted proposals of the American delegation reducing the powers of the commission and agreed to permit the representatives of private American companies to have a voice in the international body's deliberations...."

School Children's Savings

Nearly four million pupils in the schools of the United States are participating in school savings banking and deposited almost twenty-four million dollars during the year ended June 30, 1927, according to a statement issued in New York November 9 by W.Espey Albig, deputy manager of the American Bankers Association, in charge of its various savings activities. Mr. Albig's report says: "....In a number of States, California, Connecticut, Illinois, Indiana, Massachusetts, Michigan, Minnesota, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Washington, and Wisconsin, school savings have assumed really large proportions. In seven States gross deposits for the year passed the million mark. In New York it is in excess of three and one half million dollars, and in Pennsylvania, in excess of four million....."

Section 3

Department of Agriculture

An editorial in Dairy Produce for November 8 says: "Dairy legislation of vital importance to the industry as a whole and on the support of which all branches of the industry is agreed, will come up early when Congress assembles next month....Instead of setting up new machinery it calls for the greater use of the machinery at hand to bring greater efficiency and surer profit to the farm. In a word it is supplying additional and adequate funds to the Dairy Bureau of the Department of Agriculture to carry on research work to further dairy agriculture. It is a call for more general diversification in farming. It is putting farming on a better and surer basis. It is farm relief about which there can be no controversy. Dairy agriculture has proven that it is good business agriculture for it has not been the dairy farmer who has been making the call for relief. Our Dairy Bureau, under the direction of Doctor Larson has done splendid work in view of the small means it has had to work with. What it has done along breeding lines, in the study of animal diseases and in the perfection of methods in the manufacture of dairy products, in the four years as a bureau of the Agricultural Department, has been wonderful and is reflected in the growth of the dairy industry in those four years. In the field of manufacturing methods its work in dry and evaporated milk, concentrated buttermilk and in the manufacture of Swiss and Roquefort cheese has been conspicuous. The bureau needs to broaden its work and to carry on in fields where it has already accomplished great results, and the dairy industry needs the efforts of the bureau along established lines. It needs the additional knowledge the bureau can gain, if given the money to do the work, in breeding especially sire investigations, in the study of problems of the manufacture of dairy products, in nutrition studies, etc....As we stated ,there are no differences of opinion on the value of the work the bureau has done and has in contemplation. There is no room for criticism of the work, for it is work to benefit the whole dairy industry and not one part or class of those interested. And in the largest sense it is work for a better and more profitable agriculture--it is farm relief."

Section 4
MARKET QUOTATIONS

Farm Products Nov. 10: Top price on hogs at Chicago is $9.75 or 75¢ less than a week ago. Beef steer prices continued to advance, the upturn ranging from 25¢ to 60¢. She stock showed price improvement, vealers advanced sharply and heavy calves remained steady. Fat lambs and sheep were higher and feeding lambs weak. Wholesale prices on fresh western dressed meats at New York were 50¢ higher on good grade steer beef, $1 higher on veal and mutton, $3 higher on lamb, $4 to $5 higher on light pork loins and $3 to $4 higher on heavy loins.

Potato prices around 10¢-15¢ higher. Maine sacked Green Mountains ranged $2.15-$2.35 per 100 pounds in eastern markets; $1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.60-$1.75 carlot sales in Chicago; $1.50-$1.55 f.o.b. Waupaca. New York Danish type cabbage advanced $5-$10 in eastern cities to $13-$22 bulk per ton and held firm at $8-$9 f.o.b. Rochester. Onions firm. New York and mid-western yellow varieties ranged $1.25-$2 sacked per 100 pounds in consuming centers; $1.30-$1.45 f.o.b. Apples generally firm. New York Baldwins $1.75-$2 per bushel basket in New York City; mostly $1.85 . . f.o.b. Rochester. Michigan Jonathans $7.50-$8 per barrel in Chicago; Baldwins $6-$6.50.

The grain market was rather inactive with trading awaiting the release of the official estimate which was not available until after after the close of the session. This placed the United States corn crop at about 2,750,000,000 bushels based upon conditions as reported November 1. December wheat closed practically unchanged at Chicago at $1.25½. December corn was slightly higher closing at 85¼¢. December oats closed at 49¼¢ and December rye at $1.01 3/8, an advance of about 2¢ from yesterday's close. December wheat at Minneapolis closed at $1.22 7/8, at Kansas City $1.21½.

Average price of Middling spot cotton in 10 designated markets declined 41 points, closing at 19.31¢ per lb. December future contracts on the New York Cotton Exchange declined 46 points, closing at 19.38¢, and on the New Orleans Cotton Exchange they were down 42 points, closing at 19.56¢.

Closing wholesale prices of 92 score butter: New York 49¢; Chicago 46¾¢; Philadelphia 50¢; Boston 48¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 37 Section 1 November 12, 1927.

BORAH TO ADDRESS FARM ORGANIZATION The press to-day reports that Senator Borah has accepted, tentatively, an invitation to deliver an address at Cleveland, Ohio, this month under the auspices of the National Grange.

Carlisle Bargeron, writing in the Washington Post, says: "Apparently the organization heads decided to call on the Senator after their two-day conference with the leaders of the American Farm Bureau and the Farmers Union had failed of any agreement on the subject of farm relief. L.J.Taber, president of the Grange, while subscribing to the agreement that the representatives should go before their organizations and seek a broadening of their instructions in order that they would have more bargaining latitude, made known that until a compromise or agreement does come about he plans to advocate the debenture plan for all he is worth...."

FLOOD RELIEF The Associated Press to-day reports: "Means of extending Federal aid through cooperation with the States in reconstructing roads in the New England flood area were considered yesterday at an informal meeting of the Senate commerce and appropriations committees. It was the consensus of those attending that no direct relief appropriation by the Federal Government could be made. Immediate relief, however, is planned through appropriations for road building. Senator Dale of Vermont informed the meeting that conditions in the flood area were worse than first anticipated, and that two or three months would be required to reconstruct bridges for the railroads. Federal cooperation in the Mississippi River States through cooperation in road building also was discussed at the meeting....The number of persons made homeless by the New England flood was fixed at 16,272 in reports received by the Red Cross. Two hundred and seventy-nine buildings in the nineteen counties affected by the flood were totally destroyed and 1,347 buildings were damaged...."

LINDBERGH ON AIR SERVICES Col. Charles A. Lindbergh, in an article on commercial flying in to-day's press, says: "One of the gravest problems facing the advance of aviation is that of personnel. Flying is safe to-day, but it must be combined with training and experience. We have not yet reached the stage in the development of aircraft where the pilot plays a minor part in the operation of an airplane and, until we progress to that stage, it is essential to have trained and experienced operators for safe flying. ...It has been strikingly demonstrated both in America and in Europe that there need be no fear for personal safety in traveling with modern equipment over organized airways. There is another phase of commercial aviation, however, which is in need of regulation. There are not enough experienced pilots to meet the rapidly increasing demand for their services....Unfortunately, there are many institutions operating to-day and often graduating students with less than ten hours of flying training....Apparently the only method of combating the existing situation is, first, through regulation of flying schools, and, second, through regulation of the qualifications required of a pilot engaging in commercial flying and especially in passenger carrying. The Department of Commerce, through the Bureau of Aeronautics, is regulating interstate flying very successfully, but it has no control over flying activities within individual States...."

Section 2

Automobile Speed Record — New world records for endurance and speed by three automobiles which traveled 25,000 miles in less than 25,000 minutes were announced Nov. 10 by the Contest Board of the American Automobile Association, which supervises official racing and speed and endurance tests. "No machine made by man," the Contest Board asserted, "ever before traveled so far and so fast." The records were made on the Atlantic City Speedway by two Studebaker Commander roadsters and a Studebaker Commander sedan. (Press, Nov. 11.)

Distribution Cost — J. G. Donley, writing in Commerce and Finance for November 9, says: "By far the biggest noise so far made in discussing the so-calle problem of distribution was that which resounded throughout the Nation when the report of the Joint Commission of Agricultural Inquiry appointed by the Sixty-seventh Congress was published a few years ago. No small part of its popularity with the average man, I have always thought, was due to its relentless pursuit of the corn flake. The humble corn flake, put up in handy packages and held ready to the hand on grocers' shelves, saves labor and time for the housewife, who gives no thought to what proportions of the dime go for corn, for physical distribution, for marketing, or for profits. But to the average man it is the outward sign of the passing of that inward satisfaction which comes only with consumption of a liberal portion of good, old-fashioned cooked cereal....'That it should cost approximately an average of 63 cents of the consumer's dollar to distribute 37 cents' worth of corn flakes indicates a very definite need of an improvement in the processes of distribution,' said the report mentioned above....But, what--have you ever stopped to think?--was the result? Probably some housewives heard of corn flakes who never had used them before, for to-day more corn flakes are consumed than ever before and so far as I have been able to learn the dollar is being split just about as it was before....When I set out to dig up some arguments in favor of the minority in the perennial discussion of distribution, I hastily concluded that the distributors were deplorably inarticulate. But I find that, here and there, leaders in the business of bridging the gap between the manufacturer and consumer have been standing up in meeting and expressing themselves pretty clearly. For instance, read this from an address by A.L.Salt, president of the Graybar Electric Company, one of the largest distributing organizations in the United States: 'Whenever you get into a discussion of distribution, you invariably hear that selling through a distributor adds to the cost the consumer pays for the merchandise. In other words, where manufacturers sell direct it is possible for the ultimate consumer to buy merchandise at a saving. We maintain that the efficient distributor saves money for the manufacturer and saves money for the ultimate consumer. In other words, reduces the cost of merchandise....' And here is a memorandum that just came to me over the name of J.H.Gardiner, chief statistician of the Graybar organization: 'A detailed study of the records of the Graybar Electric Company indicates that, from the standpoint of the consuming public, the increased efficiency of operation has resulted in a lower gross profit rate and thus, so far as the wholesale distributor is concerned, a smaller toll taken by the wholesaler from the ultimate consumer's dollar. This has been brought about largely by a very considerably increased turnover of investment, a slightly decreased expense rate, a larger value of sales per salesman and per

employee....Practically all the essential operations of the business have been accelerated and improved in the last ten or twelve years. The average sized bill has been more than doubled in spite of a tendency toward hand-to-mouth buying. The average sale per salesman is also more than doubled. The collection rate is very much better than ten years ago. Regardless of any theories, the cold fact remains that the Graybar Electric Company takes a smaller share of the dollar which passes through its hands as a reward for its services than it did ten years ago.'...I would have the reader note, too, that these men engaged in distribution are quite efficient in presenting their case...."

Dwelling Cost The Bureau of Labor Statistics presents in the Monthly Labor Review for November data concerning the cost of dwellings per family in the United States, as represented by 257 identical cities, for the years 1921 to 1926, inclusive. Such data are also shown separately for each of the 14 cities of the United States which have a population of 500,000 or over. The figures show that the average expenditure in erecting a one-family dwelling in these 257 cities was $3,972 in 1921. By 1926, however, this average expenditure had risen 19 per cent to $4,725. The average cost per family of apartment houses on the other hand was only 1.9 per cent higher in 1926 than in 1921. In 1921 the average cost, per family accommodated, of apartment houses was $4,019. A peak of $4,418 was reached in 1924. The 1926 cost was $4,095 per family. In comparing the fourteen cities having a population of 500,000 or over the lowest average cost for one family dwellings was shown in St.Louis where the cost per family for all new one family dwellings built during the first half of 1927 was only $3,540. This contrasts with $6,440 in Chicago. While Chicago showed the highest expenditure per dwelling for one family dwellings of any city taken, as a whole, it was surpassed by three boroughs of New York City. The average cost of one family dwellings in New York (all boroughs) was $6,184. Washington and Baltimore are but 40 miles apart, yet the average expenditure for the one family dwellings built in Baltimore in the first half of 1927 was $3,942, while the average expenditure for those built in Washington during the same period was $6,337. The average expenditure for the 34,735 one family dwellings for which permits were issued in these 14 cities was $5,306. The cost per family for dwelling accommodations in apartment houses in the same period reached the high level of $7,464 in the Borough of Manhattan. The next most expensive unit cost in this class of structure was in Chicago where 17,690 families were accommodated at a cost of $5,253 per family. The lowest per family cost for multi-family dwellings was in Los Angeles, where only $2,143 was spent per family provided for. In the 14 cities having a population of 500,000 or over 79,324 families were provided for in apartment houses. The average cost of these multi-family dwellings per family accommodated was $4,185. All classes of dwellings in these cities provided for 132,475 families during this six month period, and the amount expended per family was $4,563. There were 4,312 families housed during this period on Manhattan Island, and it cost $7,478 per family to house them. The next most expensive housing was provided in Pittsburgh where 1,425 families were provided with dwelling places at a cost of $5,808 per family. It cost only $2,991 per family to house the 2,709 families provided for in St.Louis, but it cost $4,962 per family to house the 2,583 families accommodated in Washington. In New York (all boroughs) 59,203 families were provided with residences in new buildings at a cost of$4,723 per family.

Poland's Sugar Industry

Poland has just celebrated the hundredth anniversary of the establishment of her sugar industry. According to figures compiled by the "Agence Economique et Financiere" and transmitted to the Bankers Trust Company of New York by its foreign information service, there were before the war 87 active sugar refineries with a yearly output of 560,000 metric tons. During the war only half of these continued work and 24 were completely destroyed. At the present time, however, the annual output is not far below pre-war figures. The capital invested in the sugar industry is estimated at 450 million gold francs. Annual returns to the Polish Treasury from the sugar tax are roughly 100 million zloty and the industry provides work for 550,000 persons.

Radio Conference Rules

The press of Nov. 11 reports that substantial progress was made in the Nov. 10 session of the International Radio-telegraph Conference toward adopting a new convention to displace the London agreement of 1912. Of the twenty-eight articles submitted, nineteen regulatory articles and four articles of the convention proper were approved. Five were returned to committee for further consideration and revision.

Woman Wins Nobel Prize

A Stockholm, Sweden, dispatch to the press of November 11 states that the Swedish Academy November 10 awarded the 1926 Nobel prize for literature to the Italian author, Signora Grazia Deledda, the second woman to win this prize. The 1927 award was postponed until next year.

Section 3

Department of Agriculture

1 In an editorial upon the consultation between the Department of State and the Department of Agriculture on plant embargoes, The New York Times of November 11 says:"...It is undoubtedly true that American bulb growers may profit from the quarantine. But the necessity of checking the introduction of pests is so much greater than the interest of any single group of producers or purchasers in this country that there is sure to be support of all necessary protective measures. The State Department's intervention should clarify the situation. The primary duty of its representatives is, of course, to protect American interests....Once the public here and in the exporting countries is assured that legitimate interest makes it imperative to keep out certain plants, there will be no further cause for complaint."

2 An editorial in American Fruit Grower for November says: "We want to call special attention to 'The Market Review,' a regular feature of the magazine which appears in this issue on page fourteen. This review is specially prepared for our use by the United States Bureau of Agricultural Economics. It is thoroughly trustworthy, timely and up to date at the time we go to press. Since the department has at its disposal the best information available on the subject, we feel the review is as good a summary of the fruit situation as could possibly be obtained. Paul Froehlich, who is preparing the review at present, is doing a most commendable job in selecting and presenting this material, in our opinion. In view of the trustworthy character of this review and the fact that knowledge of market conditions is an important factor in disposing of a fruit crop to advantage, we want to urge our readers to study this review carefully each month so that they can profit to the fullest extent from it."

Section 4
MARKET QUOTATIONS

Farm Products Nov. 11: Potatoes generally firm. Maine sacked Green Mountains $2.10-$2.35 per 100 pounds in eastern markets; $1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.60-$1.75 carlot sales in Chicago; $1.50-$1.55 f.o.b. Waupaca. Onions slightly stronger. New York and Midwestern yellow varieties sold at $1.25-$2 sacked per 100 pounds in consuming centers; $1.35-$1.50 f.o.b. New York Danish type cabbage $3-$8 higher at $10-$20 bulk per ton in terminal markets; firm at $8-$9 f.o.b. Rochester. Apples firm. New York Baldwins $6 per barrel in New York City; $5.50-$6 f.o.b. Rochester. Illinois and Michigan Jonathans $7.50-$8 in Chicago.

Top price on hogs at Chicago is $9.85 or 55¢ less than a week ago. There was a general advance on fed steers and she stock. Vealers were sharply higher, heavy calves steady and stockers and feeders steady to 25¢ higher than a week ago. Fat and feeding lambs declined, yearling wethers and sheep showing some price improvement. Wholesale prices on fresh western dressed meats at New York were 50¢ to $1 higher on good grade steer beef, $1 higher on veal and mutton, $3 to $4 higher on lamb, $5 higher on light pork loins and $4 to $4.50 higher on heavy loins.

Average price of Middling spot cotton in 6 designated markets advanced 49 points, closing at 19.79¢ per lb. (Holiday in 4 markets) December future contracts on the New York Cotton Exchange advanced 45 points, closing at 19.83¢. (Holiday in New Orleans and Chicago.)

Closing wholesale prices of 92 score butter: Philadelphia 50¢; Boston 48¢. Holiday at New York and Chicago. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 38 Section 1 November 14, 1927

THE BUSINESS MEN'S AGRICULTURAL REPORT

Gradual tariff adjustment, to equalize more nearly the benefits of the protective tariff system, as between agriculture and the manufacturing industry; creation of a Federal farm board to assist in the stabilization of farm prices and production; a comprehensive land utilization policy to be administered through an endowed national agricultural foundation; revision of State and local tax systems; strengthening of the rural banking system; revision of railroad rates on farm products and development of waterway systems are among the recommendations of the Business Men's Commission on Agriculture. The commission rejects legislation of the McNary-Haugen type as injurious to the long-run interests of agriculture and as setting a dangerous precedent. The commission's findings and recommendations, which were made public Nov. 12 by the chairman, Charles Nagel, at its headquarters in New York, are the result of a year's study of agricultural conditions and trends.

Mr. Nagel's statement in behalf of the Business Men's Commission on Agriculture contains the following: "Serious consideration of the agricultural situation makes it clear that, in relation to it, the United States is confronted with a question of fundamental national concern and of permanent importance to the American people. Our national policies in respect to industry, trade and international relations all have a profound bearing on the agricultural problem. But the aim in agricultural policies should have in view such improvement in the economic position of the farmer as is consistent with the wisest utilization of our land resources and development of types of farmers and of rural life which will make not only for greater farm prosperity but for the long-time social and political welfare of the Nation as a whole.

"A sound national agricultural policy conceived in this way can not rest upon governmental action alone, but requires active participation and cooperation of farmers and of other economic groups as well as that of local, State and Federal governmental authorities. The putting into execution of such a policy necessarily will be a matter of gradual development and can not spring complete from the brain of any individual or group. It is in this spirit that the commission proposes the following suggestions as to ways in which the economic position of American agriculture may be improved and a basis provided for gradual development of a comprehensive national agricultural policy." (Press, Nov. 13.)

(The suggestions made by the commission will be given in full in tomorrow's Daily Digest)

SYNTHETIC RUBBER

A Berlin dispatch to the press of Nov. 13 says: "Synthetic rubber will soon be produced in Germany and enter the world's markets in competition with the natural product, it was stated Nov.12 by Dr. Weinberg at a meeting of the German Chemical Manufacturers' Association, celebrating its fiftieth anniversary at Frankfort-on-the-Main. It was announced that a new catalyzer had been found, simplifying the uniting of the elements of rubber which were found in coal tar. Whether the discovery is a variation of the Hoffmann method, which is impracticable on account of the excessive costs, was not made known....."

Section 2

Agricultural Engineering

Harry Burgess Roe, member of the A.S.A.E., and Associate Professor of Agricultural Engineering, University of Minnesota, writes of engineering in agriculture in Scribner's for October. The article covers eight pages and is illustrated by diagrams and photographs. The author describes agricultural engineering as "the application of the art and science of engineering to the problems of agriculture." Its object he says is to eliminate useless labor on the farm, to make the farm home life pleasanter, and to make the farm business more profitable. The author declares that many men think that the engineering work of agriculture could and should be done by civil, mechanical and architectural engineers. While this may seem reasonable, he says, it has not worked out very well in the past. The engineer trained in other lines than those directly related to agriculture seldom understands the problems of the farm or the methods of agricultural production well enough to be of much help to the farmer. The author gives the reasons why the agricultural engineer is an economic necessity and demonstrates the extent of the problem of engineering on the farm. The author then goes on to outline the development of the American Society of Agricultural Engineers and lists college courses in agricultural engineering; their inception, character, object and standing, and closes with a purview of the field open to agricultural engineers.

Beef Cattle Cycle

An editorial in Wallaces' Farmer for November 11 says: "There is a shortage of beef cattle in the country and prices are high, which means that after a time too many men will go into the beef cattle business and prices will break. Every two or three years since 1913 we have published a chart pointing out the seven-year cycle in beef cattle. Seven years up and seven years down has been the history of the beef cattle business for many years. As to whether we shall reach the crest of this present movement in 1928, 1929 and 1930 yet remains to be seen. In any event, it is probable that along about 1935 there will again be an overproduction in beef cattle. The wise breeder of beef cattle will not allow himself to overexpand during the prosperity of the next year or two. We hope to go into this whole matter in somewhat greater statistical detail during the late winter."

Canadian Fur Farming

"According to statistics from Government sources, elk in Canada has increased to about 20,000 through protective measures. The animals are distributed in the provinces as follows: Manitoba, 4,000; Saskatchewan, 5,000; Alberta, 4,000, and British Columbia, from 6,000 to 7,000. Three thousand of this quantity are to be found in the national parks....A sale of twelve pairs of silver foxes has been made by the Universal Black Silver Fox Ranch, Swift Current, to an Edmonton man, the price being $11,000. Two pairs are proven breeders and ten pairs spring puppies. The animals are registered. A feature of the provincial exhibit at the Brandon, Manitoba, annual fair, was a live muskrat exhibit in an artificial marsh lake, with background painting representing a muskrat swamp, the whole surrounded with a high wire fence. Muskrat statistical cards were prominently displayed advertising the industry, one of which carried the information that there are 30,000,000 muskrat skins required annually by world markets, and that 12,000,000 are available. Of these 50 per cent come from Louisiana; 25 per cent from Canada, of which 4 per cent come from Manitoba. There are many marshlands in the province owned by the Government for sale

or lease to desirable parties, and this method was taken by the province to extend the local industry. It is reported that there is a boom in Western Canada in muskrat farming owing to the Federal Government's offer to take over from the provinces swamp lands for lease to residents for the purpose of muskrat farming, and in consequence there have been received many applications. Saskatchewan claims to now have over 500 such farms in existence; Alberta 200...." (Forest and Outdoors, Ottawa, November.)

Dairy Industry Competition An editorial in Wallaces' Farmer for November 11 says: "In a survey of the New England milk market, the Department of Agriculture says of the milk and cream supply for Boston: 'In the winter and spring months some cream is brought from as far west as Kansas.' This drives home again the fact that if corn and hog farmers of the Middle-West are going to change over to dairying in any large numbers, the milk producers of the Eastern States are bound to feel it. Competition is coming mainly in the form of increased butter supplies, but even in the supplying of sweet cream and milk, the Corn Belt is actively competing with the dairymen around the big eastern cities. What it comes back to is that so long as farmers are able to change from one brand of farming to another there is no permanent safety for any special class of farmers. The dairymen have been getting a better net income than other farm groups, and on this account there has not been a great deal of sympathy for legislative activity on behalf of agriculture shown by farmers in some eastern States. When Kansas cream is shipped to Boston, however, it proves that the whole farm field is bound in the end to reach a common level, and that level, unfortunately, is below the standards of most other industries...It will pay the eastern dairyman to do what he can to help make the corn, hog and wheat business more profitable."

Florida Citrus Industry "Impetus for the citrus industry of Florida is indicated in an announcement by W.J.Howey, developer of a 60,000-acre orange grove tract known as Howey-in-the-Hills, that bottled orange and grapefruit juice from that tract will be distributed in every market center in the country, from Maine to Denver, during the present tourist season and from that time on. Under Mr. Howey and W.A.Kenmuir, manager, more than 500 men and women of the organization have perfected the system for such distribution...." (Manufacturers Record, Nov. 10.)

Magnesite Duty President Coolidge Nov. 10 issued a proclamation increasing by 50 per cent the duty on crude magnesite and caustic calcined magnesite imports, the maximum amount allowed under the flexible provision of the tariff act of 1922, according to the press of Nov. 11. The increases, which are based upon investigation and findings of the Tariff Commission, are necessary, the President said, to equalize the difference in costs of production in the United States and its principal competitors, Greece and British India.

Milk Producers' Cooperatives An editorial in New England Homestead for November 5 says: "Last week's annual meeting of the New England Milk Producers' Association was in some ways the best it ever held. In these days of cooperative failures it is refreshing and encouraging to find this big family of over 20,000 farmers working as one and proud of their organization. Recent New England experience has disclosed too many fair

weather friends of associated effort. When clouds appear they beat it for the tall timber. They are quite willing to accept profits but slow to share losses. But rain or shine the membership of N.E.M.P.A. is on the job in season and out, year after year. Much credit is due the leadership but no leader can go faster than his associates will follow. Essentially then, individual milk producers in New England are the ones for whom encomiums can be proclaimed...."

Motor Cars in France

While in 1920 only one out of 164 inhabitants of France owned a motor car, at the end of 1926, according to an estimate given by Andre Michelin in the "Echo de Paris" and transmitted to the Bankers Trust Company of New York by its French information service, there was one motor car for every 43 inhabitants. The rapid growth of this French industry may be seen from figures compiled by the French press for the twenty-first annual automobile salon lately held in Paris. The number of cars in use on which taxes were paid in 1894 amounted to 200 only, and rose successively to 17,107 in 1904, 107,536 in 1914, 581,200 in 1924, 725,700 in 1925, 836,500 in 1926 and 891,000 in 1927. To this, about 100,000 more cars either Army property or machines not yet delivered to buyers should be added, on which no taxes had been paid. Returns from the automobile tax, which totalled 156,498 francs in 1900, amounted to 464,956,362 francs in 1926. The yearly number of drivers' auto licenses granted in France has been 145,952 in 1922, 175,828 in 1923, 205,868 in 1924, 289,471 in 1925 and 317,682 in 1926. France exports forty per cent of her total automobile output and these exports have increased from 75,000 metric quintals in 1919 to 975,000 metric quintals in 1926.

Rural Credit

An editorial in The Journal of Commerce for November 10 says: "News comes from San Francisco that the leading banking interests of the State are contemplating a plan of credit control that will diminish the danger of overproduction of vineyard and orchard crops. 'It is necessary,' says one banker, 'that we consider the granting of loans to farmers planning to engage in orchard and vineyard development with more care. We must hereafter realize that the farmer optimist must be discouraged unless it can be demonstrated that increased production of the crop under consideration will not result in a lowering of price, which may prove ruinous to such industry.' There is nothing startling in statements of this sort. Presumably all far-seeing bankers recognize the need of safeguarding their credit grants against unprofitable utilization. The problem is, moreover, the same whether the banks are serving industrial or agricultural borrowers. The significance of the California pronouncement does not lie, therefore, in its novelty, but in the fact that it expresses a hope of reform as well as a conviction. In States where small rural banks exist in great numbers, the struggle to make a living almost inevitably leads to shortsighted encouragement of overdevelopment. Individual bankers may realize the dangers ahead, but, unfortunately, they can not always act individually to prevent their materialization. In California it is hoped that the progressive elimination of small detached banks will enable the larger responsible units in the banking field not only to preach prevention of overproduction but by their credit policies to enforce it."

Section 3

MARKET QUOTATIONS

Farm Products For the week ended Nov. 12: Top price on hogs at Chicago was $9.70. Fed steers were sharply higher, prices reaching the highest point for the season. Western grassers were strong to 25¢ up to killers, 15¢ to 25¢ higher to stockers and feeder dealers. Good choic fat cows and heifers were 25¢ to 50¢ higher, losing early advance. Common and medium fat cows were about steady. Bulls were strong to 25¢ higher, vealers $1.50 to $2 up. Fat lambs closed 15¢ to 25¢ lower, sheep strong to 25¢ higher, feeding lambs weak to 25¢ lower. Wholesale prices on fresh western dressed meats at New York were 50¢ to $1 higher on good grade steer beef, $1 higher on veal and mutton, $3 to $4 higher on lamb, $5 higher on light pork loins and $4 to $4.50 higher on heavy loins.

Potatoes slightly higher. Maine sacked Green Mountains $2-$2.35 per 100 pounds in eastern markets. Wisconsin sacked Round Whites $1.60-$1.75 carlot sales in Chicago. Cabbage firm. New York Danish type $10-$20 bulk per ton in terminal markets; $8-$9 f.o.b. Rochester. Wisconsin Danish type $1 sacked per 100 pounds in Chicago. Onions slightly stronger. New York and midwestern yellow varieties $1.25-$2 sacked per 100 pounds in consuming centers; $1.35-$1.50 f.o.b. Apples fairly steady. New York Baldwins sold at $5.50-$6 per barrel in New York City. Michigan Jonathans $7.50-$8 in Chicago; Baldwins $6-$6.50.

Average price of Middling spot cotton in 10 designated markets declined 93 points for the week, closing at 19.76¢ per lb. December future contracts on the New York Cotton Exchange declined 94 points, closing at 19.88¢, and on the New Orleans Cotton Exchange were down 97 points, closing at 20.03¢.

Butter markets were firm during the week. Purchases quite largely confined to bare necessities, and receivers have in most instances been willing sellers. Prices, however, show no material change. Storage movement continues fairly heavy. General opinion is that fall production will be heavy. Closing wholesale prices of 92 score butter: New York 49½¢; Chicago 47¾¢; Philadelphia 50½¢; Boston 48¢.

Cheese markets were dull during the week. Dealers offering freely, but buyers inclined to wait upon market developments. Wisconsin cheese board declines of November 4 evidence of unsettled feeling. Weakness in Canadian cheese markets of some influence. Domestic production conditions remain favorable. Wholesale prices at Wisconsin primary cheese markets Nov. 11: Single Daisies 25¢; Double Daisies 24¾¢; Longhorns 25¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Nov. 12,	Nov. 11,	Nov.12, 1926
20 Industrials	194.11	193.34	155.00
20 R.R.stocks	139.41	138.77	118.86

(Wall St. Jour., Nov. 14.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 39 Section 1 November 15, 1927.

BUSINESS MEN'S AGRICULTURAL REPORT

The following are suggestions of the Business Men's Commission on Agriculture as to ways in which the economic position of American agriculture may be improved: "1. The commission believes efforts should be made more nearly to equalize, as between agriculture and manufacturing industry, such benefits as the existing protective tariff system can afford to both. Protective policies which tend to place artificial obstacles in the way of natural and normal extension of markets for American farm products and which tend to increase the domestic costs of their production should be subjected to careful reconsideration with a view to equalizing their effects. The economic position of agriculture would obviously be improved if farmers could secure higher prices for their products, or find markets for more of them at prevailing prices, or reduce their costs of production....2. The position of agriculture can be improved not only by governmental policies which facilitate the sound extension of markets for farm products but also by measures which tend to reduce the wide fluctuations in prices and the hazards of loss due to changing natural and market conditions. 3. In view of the difficulties standing in the way of immediate Government action designed to raise or stabilize farm prices and to extend the foreign markets for farm products, the chief immediate means of improving the economic position of the farmer must be sought in measures to reduce his costs of production. 4. Important as are the opportunities for individual self-help, success of farmers in overcoming their own difficulties without outside aid depends mainly upon organized cooperative efforts in reducing production costs and market losses. 5. A balanced agricultural production, the highest efficiency of the agricultural industry, sustained prosperity of the farmer and the preservation of the Nation's natural resources can be attained only through a carefully planned policy of land utilization. 6. Earnest and effective cooperation is needed between the organizations of farmers, business men, manufacturers and other occupational groups to exercise watchfulness over local and State governmental expenditures and to effect needed redistribution of the burden of farm taxes now resting with undue severity upon the farmers and thereby endangering the economic interests of each State as a whole. 7. The States should so far as practicable relinquish the general property tax to the local governing units and obtain such revenue as they need through income, business and excise taxes. 8. The machinery of agricultural credit as it exists being seriously defective and susceptible of great improvement, this problem should be energetically attacked. 9. Agriculture can be substantially benefited by readjustments of the railroad rate structure, the extension of waterway systems and other reductions in distribution costs. 10. The commission strongly urges extension of research work in the field of agriculture by the Federal Government, its coordination with research work of States and other agencies and appropriation of larger funds for such work on part of the Federal Government."

RADIO COMMISSIONER APPOINTED

The press to-day announces the appointment of Harold A. Lafount, a business man of Salt Lake City, Utah, as Federal Radio Commissioner from the Fifth zone. Mr. Lafount succeeds John F. Dillon, who died recently.

Section 2

Agricultural Report of Business Men

In an editorial on the Business Men's Agricultural Report, The New York Times of Nov. 13 says:"...What first leaps to the eye in this report is the fact that the complaint of western farmers about tariff discrimination against them is held to be justified....The members had carefully and fairly looked into the facts, and could come to no other decision than that 'protective policies which tend to place artificial obstacles in the way of natural and normal extension of markets for American farm products, and which tend to increase the domestic costs of their production, should be subjected to careful reconsideration with a view to equalizing their effects.'...For the rest, the report of the Business Men's Commission is a cautious and well-reasoned document. It does not profess to have discovered a panacea for the farm. In the end, the farmers will have to depend mainly upon themselves. This is not to say that the Government has no duty in the premises. That it should keep out of any direct agricultural business is the firm conclusion of these business men. They are strongly against the principle of the McNary-Haugen bill. But they indicate many lines of Government policy, bearing on the improvement of the farmer's condition, which they believe might be usefully pursued. These relate chiefly to taxation--including tariff taxation--to transportation, to greater ease of farm credits, and to the rallying of every technical resource for the aid of the farmer in getting rid of plant diseases and pests and needless agricultural waste--all with the aim of both bettering production and decreasing its cost. Throughout the whole report there is ample evidence of full sympathy with the farmer, and an earnest desire to understand his position and his needs. But the sympathy is intelligent, not mawkish or professional, least of all political. It is the voice of business sensibly addressing itself to the farm."

Cotton Use

Large quantities of cotton cloth were used in the construction of the Holland Tunnel, according to Ernest C. Morse, head of the New Uses Section of the Cotton-Textile Institute. "Thirty thousand square yards of this material were used in making the approaches of the tunnel waterproof," Mr. Morse said. "It had been subjected to special treatment with an asphalt preparation which increased its resistance to moisture and was laid in various thickness ranging from two to six coatings of fabric. This use in the new tunnel indicates the extent to which engineers are turning to cotton where waterproofing is required in the construction of large public works. We are informed that cotton fabrics are extensively utilized in lining the foundations of bridges, subways and tall buildings by engineers who believe they make construction safer and more permanent. Highway officials also are experimenting with the use of heavy cotton fabrics in road construction." (N.Y.Times, Nov. 13.)

Income and Expenditure in Illinois

"Where the Prairie Money Goes" is the title of an article by Allen D. Albert in Scribner's for October. A local manufacturer dealing in "advertising specialties" gave to Mr. Albert a commission to inquire into the wants and needs and buying ability of his customers. The scene of the survey is Edgar County, Illinois; area 675 square miles, population 26,000; of which 8,000 are in the small city of Paris, the county seat. Mr. Albert found the money income of the country to be very great. He says: "From major sources alone it passed

$11,400,000. This is the equivalent of $2,500 for each household." As to earnings he says that industrial wage earners in Paris factories earned $845 a year on an average. Storekeepers had an average earning of $2,650 each. Town workers above the grade of helpers were paid $1,100 on the average. All that remain of workers not on farms, that is to say the clerks in the stores, the half-skilled laborers, the waiters in small restaurants, the drivers of delivery wagons and the like, earned in the towns an average of $830 a year. As to workers on the farms, he found that hired help on the farms seemed to be at least equally well paid. There are 2,352 farm units, and four of the out of five took on workers by the year for about $40 a month for each man, families somewhat more. "There is no poverty in all Edgar County!" the author declares. Follows another important statement: "Not a dollar has been added to the savings of Edgar County in two years. On the contrary, the money on deposit for savings has diminished." Some of the figures follow: Community income "can not be put much above $12,000,000." Total for food and apparel about $1,990,000; transportation of all kinds, $3,583,306; "and of this about two-thirds--the great sum of $2,190,000--is spent for the purchase of automobiles, for garage service and accessories, for gasoline and lubricants." Again he says: "Edgar County rural sections spend more than one dollar in four of their gross income on automobiling." Total taxes paid were $1,367,000 for 1926. Interest on loans of all kinds, $1,030,423, though the payments to banks and mortgage companies seem not more than $827,000. The investigator's conclusions are as follows: "That in a rich countryside all financial operations are now subject to riding in automobiles; that installment buying by mail is routing direct buying over the counter; that taxes and interest on loans have become lesser items of expense; that at least for the year 1926 money is not being saved; that a relatively small amount of financial planning and reorganization would greatly increase the comfort of these households."

"Master Farmer" Awards in Kansas

A Topeka dispatch to the press of Nov. 13 states that believing that the expert farmer should be given recognition, The Kansas Farmer Nov. 12 awarded "master farmer" certificates and gold medals to fifteen Kansas farmers selected by three judges as the best all-around agriculturists in the State. The judges passed on the score cards of nearly 300 farmers nominated in the inquiry. Senator Arthur Capper, publisher of the paper, presented the medals and certificates at a banquet. Tenant farmers as well as those who own their own land were eligible to nomination. The score card listed a possible 1,245 points: 285 under the heading "Operation of the Farm," 285 for "Business Methods," 90 for "General Farm Appearance and Upkeep," 325 for "Home Life" and 260 for "Public Spiritedness."

South and Railroads

An editorial in Southern Cultivator and Farming for November 1 says: "The South owes more to its railroads for the progress it is making in all lines of industry, including farming, than to any other agency employed in the development of this favored region. Through the constructive work of their agricultural agents, the extensive publicity they have carried on to acquaint people of all sections with the wonderful opportunities and advantages offered in the South in climate, soils and the great variety of profitable crops that may be grown, they have done much to make farming a better business for those

who inherited the lands they cultivate and have brought in thousands from the North and elsewhere to help promote agricultural interests and to share in the wealth from the rich mines discovered here. Furthermore, by providing adequate transportation facilities, along with good service, they have opened to producers all of the great markets of the country. With the exception of agriculture, railroad transportation is the largest enterprise in the United States. The railroads pay about $1,000,000 a day in taxes, and give profitable employment to great armies of workers. They have always been leaders in the march of progress, blazing the way for advancement in industry and commerce and doing efficient work in all efforts to make the way easy to follow. This is simply good business. It is to the interests of the roads to serve the people well--to aid in every way possible in building business in farming communities and industrial centers. Following the course which good judgment points out as the way to success for railroads, they have helped the South to attain its present enviable position as a flourishing section upon which the eyes of people of all parts of the country have been turned--and they will exert as much power as any other constructive force in carrying it onward and upward to greater things."

Section 3

Department of Agriculture

1 The press of November 13 says: "Agricultural colleges operating broadcasting stations are not likely to suffer through changes in wave lengths, reductions in power or time-sharing arrangements, according to reports from Washington. The first suggestion of this was a letter from Secretary of Agriculture Jardine to the Radio Commission. He suggested that they refuse to grant wave lengths or increased power to any stations which might interfere with farm programs....As any one can recall the Federal Radio Commission has not refused any farm station anything it has requested, according to reports from Washington. Maybe Secretary Jardine did not intend going as strong as that, but to the Radio Commission he said: 'The Agricultural Department understands that there are several cases before the commission in which commercial and private organizations are soliciting the commission to increase the strength of their stations and lengthen the period of sending, a situation which, if complied with by the commission, might result in seriously interfering with the cooperative public radio program of the department and the colleges. This is to suggest to the commission the desirability in the public interests of protecting the agricultural colleges against outside interference by refusing to grant to private concerns and commercial agencies power or wave length that would in any way interfere with the present cooperative radio program of the agricultural colleges and the Department of Agriculture.'...."

2 An editorial in Agricultural Engineering for November says: "We are reminded of the saying 'The wheel that squeaks the loudest is the wheel that gets the grease.' If agricultural engineers 'squeak' long enough and loud enough on the question of a bureau of agricultural engineering in the United States Department of Agriculture, they will in time accomplish their objective. But we mustn't let up on the 'squeaking.' The Secretary of Agriculture has received a great many requests by word of mouth, by resolutions, by letters, and by telegrams, urging that he use his efforts to have such a bureau created. The

Secretary apparently is impressed with the sincerity of the agricultural engineers' demands for such a bureau and undoubtedly realizes the need for it. We must not fail to realize, however, that the Secretary is continually besieged by all sorts of demands, many of them just as insistent as ours....We have plenty of good arguments why such a bureau is needed. The project has all the merits that any such project could have...."

Section 4
MARKET QUOTATIONS

Farm Products Nov. 14: Eastern sacked Round White potatoes 5¢-10¢ lower at $1.95-$2.15 per 100 pounds in city markets. Wisconsin sacked Round Whites $1.60-$1.70 carlot sales in Chicago. Sweet potatoes firm. Virginia yellow varieties $1.75-$2.25 per barrel in eastern cities. Tennessee Nancy Halls $1.35-$1.40 per bushel basket in the Middle West. Apples tending higher. New York Rhode Island Greenings $7.50-$8.50 per barrel in New York City; McIntosh $9. New York Baldwins $1.75-$2 per bushel basket in New York City; $1.80 f.o.b. Michigan Jonathans $8.50-$9.50 per barrel in Chicago. New York Danish type cabbage $2-$7 higher at $12-$20 bulk per ton in consuming centers; $8-$9 f.o.b. Northern Domestic type $1 sacked per 100 pounds in Chicago. Onions 5¢-25¢ higher. New York and Midwestern yellow varieties ranged $1.30-$2 sacked per 100 pounds in city markets; $1.35-$1.50 f.o.b.

Top price on hogs at Chicago is $9.60 or 75¢ less than a week ago Beef steer prices continued upward and showed a moderate advance over values a week ago. She stock and stockers and feeders were steady to 25¢ higher, heavy calves steady and vealers sharply higher. Fat and feeding lambs declined, yearling wethers and sheep registering price improvement. Wholesale prices on fresh western dressed meats at New York were $1 to $1.50 higher on good grade steer beef, $1 higher on veal, $1 to $2 higher on lamb, steady on mutton, $2 to $3 higher on light pork loins and $3 higher on heavy loins.

Average price of Middling spot cotton in 10 designated markets declined 21 points, closing at 19.52¢ per lb. December future contracts on the New York Cotton Exchange declined 26 points, closing at 19.62¢, and on the New Orleans Cotton Exchange they were down 18 points, closing at 19.35¢.

Grain markets ruled barely steady although barley and rye prices made small advances. December wheat at Chicago sold about $1.27, at Minneapolis $1.23¾, Kansas City $1.22¼. December corn at Chicago closed about 82½¢ and oats at that market closed 48 3/8¢.

Closing wholesale prices of 92 score butter: New York 50¢; Chicago 48¼¢; Philadelphia 51¢; Boston 48¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVII, No. 40 Section 1 November 16, 1927.

THE PRESIDENT ON FARM RELIEF The press to-day reports: "President Coolidge is opposed to revision of the tariff as a reputed aid to the farmers, believing that such a course would eliminate the farmers' home markets and that the same policy to apply to the agricultural situation is for the Government to aid in the stabilization of prices and in extension of co-operative marketing. The administration's attitude was defined yesterday as the result of the recommendations of the national industrial conference of which Former Assistant Secretary of Commerce Charles Nagel, was chairman. This conference suggested that the tariff be lowered and railroad rates reduced in an effort to effect a solution for agricultural depression. President Coolidge holds that present prosperity, to a great extent, is due to the tariff, that any reduction would lead to industrial depression and that lack of prosperity among the factory workers would lessen the farmers' markets. About 53 per cent of American farm production is consumed at home. The President has recommended stabilization of markets in the United States through a corporation and development of the co-operative marketing system, and he is prepared to support that policy if the next session of Congress enacts bills to extend the credit system and marketing program. His farm program remains unchanged. As for the suggestion that railroad rates be changed to benefit the farmer, the President has already moved in a direction that might lead to such results. He recommended to Congress that the Interstate Commerce Commission be authorized to make a survey of the rate structure. Such a survey is in progress. The plan is to remodel the rate structure so that under a new system some commodities, such as farm products, may be carried at a lower freight rate, and the rate on other commodities be increased without injustice to other products and consumers. 'While the President has not thoroughly studied the Nagel report, he came out firmly to-day against its salient provision, which hits at the fundamental Republican tariff policy he and his party propose to maintain."

THE FARM CONGRESS A Kansas City dispatch to-day reports: "Any general reduction of import duties at this time was opposed in a declaration adopted by the resolutions committee of the American Farm Congress at Kansas City yesterday, after sentiment had developed at a general session against permitting the American market to be opened to importations of agricultural and livestock products. 'American agriculture and livestock industries have entered an era in which they must have protection in the home markets from unrestricted competition of products of countries where land is cheap, standards of living low or labor meanly paid, if they are not to sink to the approximate level of such countries,' the resolution declared. 'For America to permit its own agriculture to fall into decadence, and to depend upon importations of foodstuffs from other countries would be most unwise.'...."

Section 2

British Wool Wage Cut

A London dispatch to the press of October 15 states that a serious situation in the wool textile industry has arisen as a result of notification by employers that the agreement between the employers and and operatives on wages, which has expired, will not be renewed. The employers declare that it will be impossible to restore prosperity to the industry unless there are reductions in pay. About 250,000 workers are affected by the notification. The Industrial Council is trying to effect a settlement, but so far has not made any progress. The operatives assert that the employers have refused to arbitrate the dispute.

Church Study of Illinois Agricultural Situation

Because of the depressed agricultural situation, forty-seven rural churches in Illinois are reported to have reduced the amount paid for pastor's salary from $1,000 to $500 during the past year. The report was made to the recent meeting of the Laymen's Association of the Illinois Conference on the Methodist Episcopal Church, which took up a discussion of the matter in which Dean Herbert W. Mumford of the Illinois College of Agriculture and Dr. Charles W. Stewart, a prominent agricultural economist, participated. The result was a resolution which is being sent to other laymen's associations of the Methodist Episcopal Church and to numerous religious agencies, both Catholic and Protestant. The resolution, as taken from Information Service, the bulletin of the Department of Research and Education of the Federal Council of Churches, is, in part, as follows: "Whereas, the evidence persists that throughout the area of this Conference depression in agriculture is not only causing personal distress to many, but is also rendering more difficult the problem of our churches in rural and other communities; Whereas, it is the belief of many of our members that the persistence of the depression is caused in part by disadvantages resulting from Federal policies less favorable to agriculture than to other branches of our economic system; and Whereas, it is the belief of many of our members that the disadvantages under which our rural communities struggle are partly remediable by measures which can bring equality to agriculture without imposing corresponding injustice upon groups already enjoying Federal protection: therefore be it Resolved, that the Laymen's Association of the Illinois Conference of the Methodist Episcopal Church hereby urges that Nation-wide study be given by religious agencies of laymen and clergymen so as to ascertain whether the national position of American agriculture is such as to warrant the belief of some of our members that social justice and sound national policy unite in favor of obtaining for agriculture a more prosperous condition in American life."

Cuba-Europe Sugar Deal

A Paris dispatch November 15 says: "A crisis in the sugar industry that would affect the consumer as well as the producer probably has been averted by an agreement now virtually completed between the Cuban and European sugar industries, in the opinion of Colonel Jose Tarafa, head of the Cuban Sugar Defense Committee, who has just had several long and arduous sessions with representatives of European sugar interests. 'The principal European Exporters of sugar,' Senor Tarafa told the Associated Press, 'have realized that abnormal conditions prevailing at present are likely to cause disaster somewhere in the sugar industry and that it would be better not to play a game of the survival of the fittest. Present production is now so far in excess of consumption that refineries somewhere will have to shut down if the

situation continues. So in our own interest, and in the eventual interest of the consumer, it has been agreed to take measures to gauge yield to demand....The point had been reached where Cuba was faced with the alternative of getting cooperation with other sugar producing countries in the stabilization of the industry, or of relying on the doctrine of the survival of the fittest, but that is not a good doctrine for sugar.'....The delegates of Germany, Poland and Czechoslovakia have agreed to support the Cuban policy pending to regularize and stabilize the relations between production and consumption. An international committee will be formed consisting of two delegates each from Cuba, Germany, Poland and Czechoslovakia, while other countries interested in the sugar problem are expected to adhere subsequently. Ratification of the agreement will take place some time this month....."

European Chemical Trust

A Paris dispatch November 15 says: "It is learned that a Franco-German chemical agreement will probably be signed in Paris within the next ten days. The accord's basis is the new $1,000,000,000 Chemical Trust which will include British, Belgian and possibly Swiss and Italian chemical industries. The terms of the agreement are so thoroughly approved by the chemical industries of France and Germany that it is already being put into effect in regard to dyestuffs and artificial silk chemicals...."

Hoover on Grain Transportation

An Associated Press dispatch from St. Louis Nov. 15 says: "A modern inland waterway system that would solve the transportation problem and give aid to farmers by reducing grain shipment costs was visualized at St. Louis Nov. 14 by Secretary Hoover, in an address before the Mississippi Valley Association's ninth annual convention. 'I believe that the statement that by the modernization of the Mississippi and Great Lakes system of waterways we shall decrease freight on grain to world markets by 10 cents a bushel is not far wrong,' declared Mr. Hoover. 'And by so doing, we should increase the price of all grain to the farmer by 10 cents a bushel and this 10 cents is the profit end of the price,' he continued. 'One single year of such increase to mid-West farmers,' he asserted, 'would more than equal the entire capital outlay which we propose.'...."

Land Banks

"Despite the fact that the country's agriculture has been passing through a serious depression, the Joint Stock Land Banks and Federal Land Banks are holding surprisingly little real estate taken in mortgage foreclosures. A hearing before the House Committee on banking and currency revealed that national banks operating in the same agricultural sections were carrying much more real estate." (American Bankers Journal, November.)

Mellon on Business Conditions

The Associated Press Nov. 15 reports: "Business conditions at the present time are not unfavorable and there are no signs of a depression ahead, Secretary Mellon said Nov. 14 in the course of a discussion of the subject. In general, business activities now are what might be termed 'spotty,' the Secretary said. The coal business, for instance, he added, was rather weak, and steel has not been so good, though for the moment there was a prospect of betterment. Some lines were going full tilt, notwithstanding, but it was a little too early for a judgment to be pronounced on the situation, in the Secretary's opinion.

It could not be foretold yet, for instance, whether 1927 business, as summed up by Treasury income tax collections during 1928 will be as great as that of 1926. It all came down to a question of speculation as to what the future would show, but the Secretary did not consider that depression was to be expected."

Road Congress

Arrangements are being rapidly completed, reports Russell M. Arundel, for the annual congress of the American Road Builders' Association, which will open in Cleveland on Jan. 9. "The Nation is confronted, he says, "with the task of supplying a system of highways which will adequately meet the demands of modern automobile traffic. It will take many years to catch up with the progress of highway transportation in general, and when the roads needed at the present time are finally completed a new demand will have sprung up, keeping the task of the road builder ever in the future." (Press, Nov. 15.)

Synthetic Rubber

A Frankfort-on-Main dispatch to the press of Nov. 13 says: "Important progress by the German chemical industry since the war, including the development of commercial synthetic rubber, was described Nov. 12 before the fiftieth anniversary meeting of the Chemical Industrialists' Protective Union. It was announced that the German dye syndicate -- I. G. Farbenindustrie -- has sufficiently progressed with experimentation in producing synthetic rubber to apply for world patents and that synthetic rubber would soon appear on the world markets as a commercial commodity. The synthetic product was declared to be the equal of the natural rubber and cheaper in cost of production. thus permitting its active competition with the natural product."

The rubber trade in New York was inclined to view with skepticism the German report that synthetic rubber soon would become a commodity on the world market, says The Associated Press. More than a dozen times in the past decade, it was said, the trade has heard similar reports, but always the product either has failed to equal virgin rubber in quality or the cost of production has been so high as to render its manufacture impracticable.(Press, Nov. 13.)

Vermont Industry Losses

A Rutland, Vt., dispatch to the press of Nov. 13 states that the first figures received at Rutland by E. Lewis Olney, manager of the Associated Industries of Vermont, indicate that the flood dealt that State a staggering blow. The twenty-three plants reporting fix their damages at $2,812,500. The American Woolen Company, at Winooski, and the New England Power Company, at Bellows Falls, were the greatest flood sufferers, with losses of more than $1,000,000 each.

Wool Prices

The Commercial Bulletin (Boston) for November 12 says: "The local wool market is comparatively quiet. Prices are very firm, however, and the mills are consuming a very considerable quantity of wool. Demand is more in evidence on fine and half-blood wools. Fall wools of the best types are selling at 33 to 35 cents in Texas. The foreign markets are very strong, being par to 5 per cent higher than a week ago, largely due to the fact that England has gone into the primary markets without price limits because of pressing need of wool. Mohair is rather slow still, but prices are steady. Fall accumulations are all sold in Texas. Foreign markets are firm."

Section 3
MARKET QUOTATIONS

Farm Products Nov. 15: Maine sacked Green Mountain potatoes sold at $2.15-$2.25 per 100 pounds in New York City; mostly $1.55 f.o.b. Presque Isle. Northern sacked Round Whites $1.40-$1.65 carlot sales in Chicago; around $1.30 f.o.b. New York Danish type cabbage $12-$18 bulk per ton in terminal markets; $7-$8 f.o.b. Rochester. Northern Danish type 90¢-$1 sacked per 100 pounds in Chicago. New York and Midwestern yellow onions $1.30-$1.90 sacked per 100 pounds in consuming centers; $1.35--$1.45 f.o.b. New York Baldwin apples ranged $1.65-$2 per bushel basket in a few city markets.

Top price on hogs at Chicago is $9.70. Prices on other classes of livestock are as follows: Beef steers choice $17.50 to $18.50; good $14 to $17.75; medium $9.50 to $14.50; common $7.25 to $9.75; heifers, good and choice $9.50 to $15.25; common and medium $7 to $10.75; cows, good and choice $7.50 to $10.50; common and medium $5.85 to $7.50; low cutter and cutter $5 to $5.85; vealers, medium to choice $11.75 to $14.50; heavy calves $7 to $10; stockers and feeders, common to choice $7.75 to $11.50; fat lambs, medium to choice $13.10 to $14; yearling wethers, medium to choice $10.25 to $12.25; fat ewes, common to choice $4 to $7; feeding lambs, medium to choice $12.85 to $14.25.

Average price of Middling spot cotton in 10 designated markets advanced 18 points, closing at 19.70¢ per lb. December future contracts on the New York Cotton Exchange advanced 19 points, closing at 19.81¢, and on the New Orleans Cotton Exchange they advanced 13 points, closing at 19.98¢.

Closing wholesale prices on 92 score butter: New York 50¢; Chicago 48 1/2¢; Philadelphia 51¢; Boston 48¢.

Grain prices showed a general advance, influenced by weather unfavorable for harvesting corn, and for the movement of Canadian wheat, together with good export demand for most grains. December wheat closed at Chicago about $1.28 1/2; at Minneapolis at $1.25; at Kansas City at $1.24. December corn at Chicago closed at 85 1/2¢; December oats at 49¢ and December rye at $1.06 3/4 per bushel. (Prepared by Bu. of Agr. Econ.)